

Form 3160-3  
(June 2015)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 20185. Lease Serial No.  
NMNM140721

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

SPEYSIDE 18 FEDERAL  
[333899]  
501H

9. API Well No.

1a. Type of work: ☒ DRILL ☐ REENTER  
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other  
1c. Type of Completion: ☐ Hydraulic Fracturing ☒ Single Zone ☐ Multiple Zone2. Name of Operator  
AVANT OPERATING LLC [330396]3a. Address 1515 WYNKOOP STREET, SUITE 700, DENVER, CO 802  
3b. Phone No. (include area code) (720) 746-504510. Field and Pool, or Exploratory [28432]  
GRAMA RIDGE-BONE SPRINGS, WEST4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface NENE / 150 FNL / 660 FEL / LAT 32.3985625 / LONG -103.5027452  
At proposed prod. zone SESE / 100 FSL / 330 FEL / LAT 32.3847296 / LONG -103.501704511. Sec., T. R. M. or Blk. and Survey or Area  
SEC 18/T22S/R34E/NMP14. Distance in miles and direction from nearest town or post office\*  
20 miles12. County or Parish  
LEA13. State  
NM15. Distance from proposed\*  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any)  
150 feet

16. No of acres in lease

17. Spacing Unit dedicated to this well  
160.018. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft. 33 feet19. Proposed Depth  
10600 feet / 15440 feet20. BLM/BIA Bond No. in file  
FED: NMB00188221. Elevations (Show whether DF, KDB, RT, GL, etc.)  
3511 feet22. Approximate date work will start\*  
01/02/202323. Estimated duration  
60 days

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |                                                                                                                                                |                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor.                                                                                               | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.                                                                                                                            | 5. Operator certification.                                                                      |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM.            |

25. Signature  
(Electronic Submission)Name (Printed/Typed)  
BRIAN WOOD / Ph: (720) 746-5045Date  
10/13/2022Title  
PresidentApproved by (Signature)  
(Electronic Submission)Name (Printed/Typed)  
CHRISTOPHER WALLS / Ph: (575) 234-2234Date  
04/12/2023Title  
Petroleum EngineerOffice  
Carlsbad Field Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NGMP Rec 04/12/2023

SL

(Continued on page 2)



Approval Date: 04/12/2023

KZ

\*(Instructions on page 2)

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102

Revised August 1, 2011

Submit one copy to appropriate  
District Office

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

## OIL CONSERVATION DIVISION

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

**DISTRICT III**  
1000 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) 476-3460 Fax: (505) 476-3462

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                          |                                                    |                                                           |
|------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|
| <sup>1</sup> API Number<br>30-025- 51303 | <sup>2</sup> Pool Code<br>28432                    | <sup>3</sup> Pool Name<br>GRAMA RIDGE; BONE SPRINGS, WEST |
| <sup>4</sup> Property Code<br>333899     | <sup>5</sup> Property Name<br>Speyside 18 Federal  | <sup>6</sup> Well Number<br>501H                          |
| <sup>7</sup> OGRID No.<br>330396         | <sup>8</sup> Operator Name<br>Avant Operating, LLC | <sup>9</sup> Elevation<br>3511                            |

<sup>10</sup> Surface Location

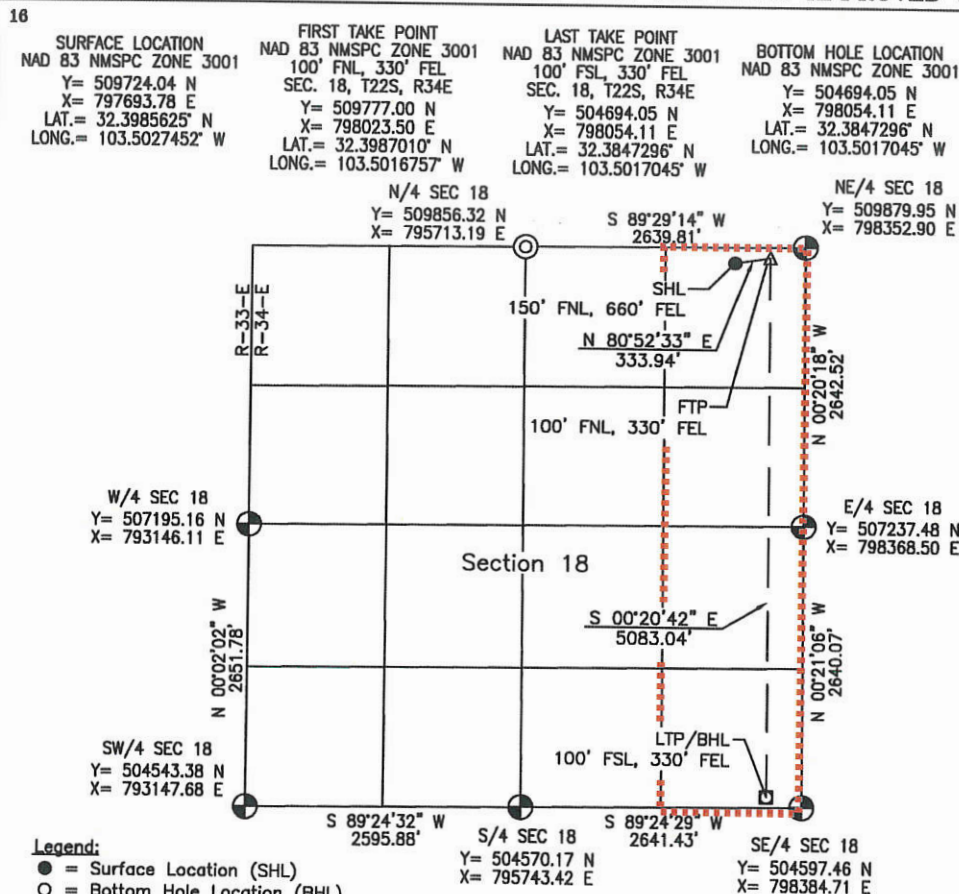
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A             | 18      | 22 S     | 34 E  |         | 150           | North            | 660           | East           | Lea    |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P             | 18      | 22 S     | 34 E  |         | 100           | South            | 330           | East           | Lea    |

|                                         |                               |                                  |                         |
|-----------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>160.00 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Brian Wood*

10-10-22

Signature  
BRIAN WOOD

Date

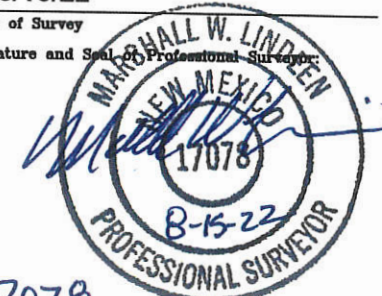
Printed Name  
brian@permitswest.comE-mail Address  
505 466-8120**18 SURVEYOR CERTIFICATION**

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.

6/10/22

Date of Survey

Signature and Seal of Professional Surveyor

17078  
Certificate Number

State of New Mexico  
Energy, Minerals and Natural Resources Department

Submit Electronically  
Via E-permitting

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

## NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

### Section 1 – Plan Description

Effective May 25, 2021

**I. Operator:** Avant Operating, LLC **OGRID:** 330396 **Date:** 09/23/22

**II. Type:** ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: \_\_\_\_\_

**III. Well(s):** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name                | API | ULSTR        | Footages            | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|--------------------------|-----|--------------|---------------------|-----------------------|-----------------------|----------------------------------|
| Speyside 18 Federal 501H |     | A-18-22S-34E | 150 FNL;<br>660 FEL | 2,000                 | 5,000                 | 10,500                           |
| Speyside 18 Federal 502H |     | A-18-22S-34E | 300 FNL;<br>693 FEL | 2,000                 | 5,000                 | 10,500                           |
| Speyside 18 Federal 601H |     | A-18-22S-34E | 150 FNL;<br>627 FEL | 2,300                 | 4,000                 | 10,500                           |
| Speyside 18 Federal 602H |     | A-18-22S-34E | 150 FNL;<br>693 FEL | 2,300                 | 4,000                 | 10,500                           |
| Speyside 18 Federal 301H |     | A-18-22S-34E | 150 FNL;<br>594 FEL | 1,500                 | 6,000                 | 10,500                           |
| Speyside 18 Federal 302H |     | A-18-22S-34E | 150 FNL;<br>726 FEL | 1,500                 | 6,000                 | 10,500                           |
| Speyside 18 Federal 201H |     | A-18-22S-34E | 300 FNL;<br>627 FEL | 2,000                 | 7,000                 | 10,500                           |
| Speyside 18 Federal 202H |     | A-18-22S-34E | 300 FNL;<br>660 FEL | 2,000                 | 7,000                 | 10,500                           |

**IV. Central Delivery Point Name:** Speyside Pad 1 [See 19.15.27.9(D)(1) NMAC]

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name                | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|--------------------------|-----|-----------|-----------------|------------------------------|------------------------|-----------------------|
| Speyside 18 Federal 501H |     | 4/11/2023 | 6/02/2023       | 6/30/2023                    | 8/5/2023               | 8/6/2023              |
| Speyside 18 Federal 502H |     | 4/11/2023 | 6/02/2023       | 6/30/2023                    | 8/5/2023               | 8/6/2023              |



|                          |  |           |           |           |          |          |
|--------------------------|--|-----------|-----------|-----------|----------|----------|
| Speyside 18 Federal 601H |  | 4/11/2023 | 6/02/2023 | 6/30/2023 | 8/5/2023 | 8/6/2023 |
| Speyside 18 Federal 602H |  | 4/11/2023 | 6/02/2023 | 6/30/2023 | 8/5/2023 | 8/6/2023 |
| Speyside 18 Federal 301H |  | 4/11/2023 | 6/02/2023 | 6/30/2023 | 8/5/2023 | 8/6/2023 |
| Speyside 18 Federal 302H |  | 4/11/2023 | 6/02/2023 | 6/30/2023 | 8/5/2023 | 8/6/2023 |
| Speyside 18 Federal 201H |  | 4/11/2023 | 6/02/2023 | 6/30/2023 | 8/5/2023 | 8/6/2023 |
| Speyside 18 Federal 202H |  | 4/11/2023 | 6/02/2023 | 6/30/2023 | 8/5/2023 | 8/6/2023 |

**VI. Separation Equipment:** ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

**VII. Operational Practices:** ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

**VIII. Best Management Practices:** ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

## **Section 2 – Enhanced Plan** **EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

### **IX. Anticipated Natural Gas Production:**

| Well | API | Anticipated Average Natural Gas Rate MCF/D | Anticipated Volume of Natural Gas for the First Year MCF |
|------|-----|--------------------------------------------|----------------------------------------------------------|
|      |     |                                            |                                                          |
|      |     |                                            |                                                          |

### **X. Natural Gas Gathering System (NGGS):**

| Operator | System | ULSTR of Tie-in | Anticipated Gathering Start Date | Available Maximum Daily Capacity of System Segment Tie-in |
|----------|--------|-----------------|----------------------------------|-----------------------------------------------------------|
|          |        |                 |                                  |                                                           |
|          |        |                 |                                  |                                                           |

**XI. Map.** ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

**XII. Line Capacity.** The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

**XIII. Line Pressure.** Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

**XIV. Confidentiality:** ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

**Section 3 - Certifications****Effective May 25, 2021**

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

***If Operator checks this box, Operator will select one of the following:***

**Well Shut-In.** ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

**Venting and Flaring Plan.** ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

**Section 4 - Notices**

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

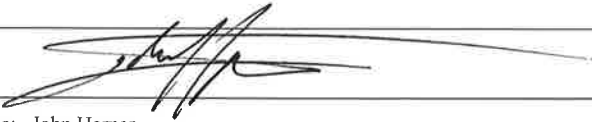
(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:



Printed Name: John Harper

Title: VP of Geosciences

E-mail Address: John@avantnr.com

Date: 4/7/2023

Phone: 678-988-6644

**OIL CONSERVATION DIVISION**  
**(Only applicable when submitted as a standalone form)**

Approved By:

Title:

Approval Date:

Conditions of Approval:

## Natural Gas Management Plan – Attachment

- VI. Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing ProMax modelling software to ensure adequate capacity for anticipated production volumes and conditions.
- VII. Avant Operating, LLC (Avant) will take the following actions to comply with the regulations listed in 19.15.27.8:
- A. Avant will maximize the recovery of natural gas by minimizing the waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. Avant will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas.
  - B. All drilling operations will be equipped with a rig flare located at least 100' from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations. In the case of emergency venting or flaring the volumes will be estimated and reported appropriately.
  - C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flowback will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However, if natural gas does not meet gathering pipeline quality specifications, Avant will flare the natural gas for 60 days or until the natural gas meets the pipeline quality specifications, whichever is sooner. Avant will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will be analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
  - D. Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D.(I) through (4). If there is no adequate takeaway for the separator gas, well(s) will be shut in until the natural gas gathering system is available with exception of emergency or malfunction situations. Venting and/or flaring volumes will be estimated and reported appropriately.
  - E. Avant will comply with the performance standards requirements and provisions listed in 19.15.27.8 (I) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs to minimize the waste. Production storage tanks constructed after May 25, 2021, will be equipped with automatic gauging system. Flares constructed after May 25, 2021, will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. Avant will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
  - F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared, or beneficially used during production operations, will be measured, or estimated. Avant will install equipment to measure
- VIII. For maintenance activities involving production equipment and compression, venting will be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production and compression equipment the associated producing wells will be shut in to eliminate venting. For maintenance of VRUs all gas normally routed to the VRU will be routed to flare to eliminate venting.



**Avant Operating, LLC Natural Gas Management Plan**

- VI. Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing ProMax modelling software to ensure adequate capacity for anticipated production volumes and conditions.
- VII. Avant Operating, LLC (Avant) will take the following actions to comply with the regulations listed in 19.15.27.8:
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  - B. All drilling operations will be equipped with a rig flare located at least 100' from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations. In the case of emergency venting or flaring the volumes will be estimated and reported appropriately.
  - C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flowback will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However, if natural gas does not meet gathering pipeline quality specifications, Avant will flare the natural gas for 60 days or until the natural gas meets the pipeline quality specifications, whichever is sooner. Avant will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will be analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
  - D. Natural gas will not be flared with the exceptions and provisions listed in the 19.15.27.8 D.(I) through (4). If there is no adequate takeaway for the separator gas, well(s) will be shut in until the natural gas gathering system is available with exception of emergency or malfunction situations. Venting and/or flaring volumes will be estimated and reported appropriately.
  - E. Avant will comply with the performance standards requirements and provisions listed in 19.15.27.8 (I) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs to minimize the waste. Production storage tanks constructed after May 25, 2021, will be equipped with automatic gauging system. Flares constructed after May 25, 2021, will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. Avant will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
  - F. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared, or beneficially used during production operations, will be measured, or estimated. Avant will install equipment to measure



U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT

# Drilling Plan Data Report

04/12/2023

APD ID: 10400088629

Submission Date: 10/13/2022

Highlighted data  
reflects the most  
recent changes

Operator Name: AVANT OPERATING LLC

Well Name: SPEYSIDE 18 FEDERAL

Well Number: 501H

Well Type: OIL WELL

Well Work Type: Drill

[Show Final Text](#)

## Section 1 - Geologic Formations

| Formation ID | Formation Name    | Elevation | True Vertical | Measured Depth | Lithologies     | Mineral Resources | Producing Formatio |
|--------------|-------------------|-----------|---------------|----------------|-----------------|-------------------|--------------------|
| 9369179      | QUATERNARY        | 3511      | 0             | 0              | OTHER : Caliche | USEABLE WATER     | N                  |
| 9369180      | RUSTLER ANHYDRITE | 1911      | 1600          | 1600           | ANHYDRITE       | NONE              | N                  |
| 9369181      | SALADO            | 1720      | 1791          | 1791           | SALT            | NONE              | N                  |
| 9369182      | BASE OF SALT      | -189      | 3700          | 3700           | SALT            | NONE              | N                  |
| 9369183      | CAPITAN REEF      | -739      | 4250          | 4250           | LIMESTONE       | USEABLE WATER     | N                  |
| 9369184      | LAMAR             | -1644     | 5155          | 5155           | SHALE           | NONE              | N                  |
| 9369185      | BELL CANYON       | -1781     | 5292          | 5292           | SANDSTONE       | NONE              | N                  |
| 9369186      | CHERRY CANYON     | -2387     | 5898          | 5898           | SANDSTONE       | NATURAL GAS, OIL  | N                  |
| 9369187      | BRUSHY CANYON     | -3664     | 7175          | 7180           | SANDSTONE       | NATURAL GAS, OIL  | N                  |
| 9369188      | BONE SPRING LIME  | -5173     | 8684          | 8693           | LIMESTONE       | NATURAL GAS, OIL  | N                  |
| 9369189      | AVALON SAND       | -5686     | 9197          | 9208           | SHALE           | NATURAL GAS, OIL  | N                  |
| 9369821      | BONE SPRING 1ST   | -6307     | 9818          | 9831           | SANDSTONE       | NATURAL GAS, OIL  | N                  |
| 9369822      | BONE SPRING 2ND   | -6879     | 10390         | 10425          | SANDSTONE       | NATURAL GAS, OIL  | Y                  |

## Section 2 - Blowout Prevention

**Operator Name:** AVANT OPERATING LLC**Well Name:** SPEYSIDE 18 FEDERAL**Well Number:** 501H**Pressure Rating (PSI):** 5M**Rating Depth:** 10000

**Equipment:** A minimum 5M 10,000' system will be used. The minimum blowout preventer equipment (BOPE) shown in BOP Diagram will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer, and an annular preventer (5000-psi WP). Both units will be hydraulically operated, and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top.

**Requesting Variance?** YES

**Variance request:** Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line). Co-flex line will be tested in accordance with highest BOP test pressures (5000 psi) before drilling out of the surface casing and (5000 psi) before drilling out of the intermediate casing. Pressure tests will be charted for records. The manufacturers hydrostatic test report will be kept on location for inspection.

**Testing Procedure:** All BOPE will be tested in accordance with Onshore Oil & Gas Order 2. be tested to 5000 (high) / 250 (low) psig and the annular preventer to 3500 (high) / 250 (low) psig by an independent service company. Test charts will always be kept on location. Surface casing will be tested to 1500 psi for 30 minutes. Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000 (high) / 250 (low) psig and the annular preventer to 3500 (high) / 250 (low) psig by an independent service company. Test charts will always be kept on location. Intermediate casing will be tested to 2000 psi for 30 minutes. A solid steel body pack-off will be used after running and cementing the intermediate casing. After installation, pack-off and lower flange will be pressure tested to 5000 psi. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe. This pressure test will be repeated at least once every 30 days, as per Onshore Order 2. Kelly cock will always be kept in the drill string. Full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will always be on the rig floor. The multi-bowl wellhead will be installed by a third-party welder while being monitored by the vendors representative. All BOP equipment will be tested using a conventional test plug - not a cup or J-packer type. Both the surface and intermediate casing strings will be tested as per Onshore Order 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

**Choke Diagram Attachment:**

SS\_Choke\_20221013092418.pdf

**BOP Diagram Attachment:**

SS\_BOP\_20221013092429.pdf

### Section 3 - Casing

| Casing ID | String Type  | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade  | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|--------|--------|------------|-------------|----------|---------------|----------|--------------|---------|
| 1         | SURFACE      | 17.5      | 13.375   | NEW       | API      | N              | 0          | 1625          | 0           | 1625           | 3511        | 1886           | 1625                        | J-55   | 54.5   | BUTT       | 1.125       | 1.125    | DRY           | 1.6      | DRY          | 1.6     |
| 2         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 0          | 4000          | 0           | 4000           | 0           | -489           | 4000                        | J-55   | 40     | LT&C       | 1.125       | 1.125    | DRY           | 1.6      | DRY          | 1.6     |
| 3         | INTERMEDIATE | 12.25     | 9.625    | NEW       | API      | N              | 4000       | 5223          | 4000        | 5223           | -4000       | -1712          | 1223                        | HCL-80 | 40     | LT&C       | 1.125       | 1.125    | DRY           | 1.6      | DRY          | 1.6     |

**Operator Name:** AVANT OPERATING LLC**Well Name:** SPEYSIDE 18 FEDERAL**Well Number:** 501H

| Casing ID | String Type    | Hole Size | Csg Size | Condition | Standard   | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade     | Weight | Joint Type      | Collapse SF | Burst SF  | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|----------------|-----------|----------|-----------|------------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-----------|--------|-----------------|-------------|-----------|---------------|----------|--------------|---------|
| 4         | PRODUCTI<br>ON | 8.75      | 5.5      | NEW       | NON<br>API | N              | 0          | 10910         | 0           | 10600          | 0           | -7089          | 10910                       | OTH<br>ER | 20     | OTHER -<br>GBCD | 1.12<br>5   | 1.12<br>5 | DRY           | 1.6      | DRY          | 1.6     |
| 5         | PRODUCTI<br>ON | 8.5       | 5.5      | NEW       | NON<br>API | N              | 10910      | 15440         | 10600       | 10600          | -7089       | -7089          | 4530                        | OTH<br>ER | 20     | OTHER -<br>GBCD | 1.12<br>5   | 1.12<br>5 | DRY           | 1.6      | DRY          | 1.6     |

**Casing Attachments****Casing ID:** 1      **String** SURFACE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**

Casing\_Design\_Assumptions\_20221013092518.pdf

**Casing ID:** 2      **String** INTERMEDIATE**Inspection Document:****Spec Document:****Tapered String Spec:****Casing Design Assumptions and Worksheet(s):**

Casing\_Design\_Assumptions\_20221013092547.pdf

Operator Name: AVANT OPERATING LLC

Well Name: SPEYSIDE 18 FEDERAL

Well Number: 501H

Casing Attachments

Casing ID: 3StringINTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing\_Design\_Assumptions\_20221013092613.pdf

Casing ID: 4StringPRODUCTION

Inspection Document:

Spec Document:

5.5in\_Casing\_Spec\_20221013092638.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing\_Design\_Assumptions\_20221013092651.pdf

Casing ID: 5StringPRODUCTION

Inspection Document:

Spec Document:

5.5in\_Casing\_Spec\_20221013092720.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing\_Design\_Assumptions\_20221013092731.pdf

Section 4 - Cement



Operator Name: AVANT OPERATING LLC

Well Name: SPEYSIDE 18 FEDERAL

Well Number: 501H

| String Type  | Lead/Tail | Stage Tool Depth | Top MD    | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type                   | Additives                                                                                                                          |
|--------------|-----------|------------------|-----------|-----------|--------------|-------|---------|-------|---------|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| SURFACE      | Lead      |                  | 0         | 1300      | 715          | 1.9   | 12.8    | 1358  | 45      | 35% B Poz + 65% Class C       | 6% gel + 5% salt + 0.25 #/sack poly flake + 0.005 gal/sack no foam V1A                                                             |
| SURFACE      | Tail      |                  | 1300      | 1625      | 230          | 1.34  | 14.8    | 308   | 45      | Class C                       | 1% CaCl2 + 0.3% C-37 + 0.005 gal/sack no foam V1A                                                                                  |
| INTERMEDIATE | Lead      | 2800             | 0         | 2395      | 760          | 1.83  | 12.8    | 1390  | 100     | 35% Class B Poz + 65% Class C | 2% gel + 5% salt + 0.05% R-1300 + 0.25 #/sack poly flake+ 0.005 gal/sack no foam V1A                                               |
| INTERMEDIATE | Tail      |                  | 2395      | 2800      | 100          | 1.33  | 14.8    | 133   | 100     | Class C                       | 0.3% C-37 + 0.005 gal/sack no foam V1A                                                                                             |
| INTERMEDIATE | Lead      | 2800             | 2800      | 4504      | 1380         | 1.84  | 12.8    | 2539  | 100     | 35% Class B Poz + 65% Class C | 2% gel + 5% salt + 0.2% R-1300 + 0.25 #/sack poly flake + 0.005 gal/sack no foam V1A                                               |
| INTERMEDIATE | Tail      |                  | 4504      | 5223      | 230          | 1.27  | 14.2    | 292   | 100     | Class C                       | 5% salt +0.005 gal/sack no foam V1A                                                                                                |
| PRODUCTION   | Lead      |                  | 0         | 1009<br>3 | 950          | 3.39  | 10.7    | 3220  | 20      | 100% ProLite (Class H)        | 5 #/sack Plexcrete STE + 2% SMS + 0.05% SuspendaCem 6302 + 0.65% R-1300 + 0.2% C-47B + 3 #/sack gilsonite + 0.005 gal/sack no foam |
| PRODUCTION   | Tail      |                  | 1009<br>3 | 1544<br>0 | 1240         | 1.21  | 14.5    | 1500  | 20      | 50% Class B Poz + 50% Class H | 5% salt + 0.05% SuspendaCem 6302 + 0.2% NSR-1 + 0.5% C-47B + 0.005 gal/sack NoFoam V1A                                             |

Operator Name: AVANT OPERATING LLC

Well Name: SPEYSIDE 18 FEDERAL

Well Number: 501H

### Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

**Describe what will be on location to control well or mitigate other conditions:** Sufficient mud materials (e. g., barite, bentonite, LCM) to maintain mud properties and meet minimum lost circulation and weight increase requirements will always be kept on site. If any lost circulation occurs below the base of salt, Avant will switch drilling mud from brine to fresh water to protect the Capitan Reef until intermediate casing is set.

**Describe the mud monitoring system utilized:** An electronic pit volume totalizer (PVT) mud system will monitor pit volumes for gains or losses, flow rate, pump pressures, and stroke rate.

### Circulating Medium Table

| Top Depth | Bottom Depth | Mud Type            | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|---------------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|----------------------------|
| 0         | 1625         | OTHER : Fresh Water | 8.4                  | 10.1                 |                     |                             |    |                |                |                 |                            |
| 1625      | 5223         | OTHER : Brine       | 10                   | 10.5                 |                     |                             |    |                |                |                 |                            |
| 5223      | 10093        | OTHER : Cut Brine   | 9.2                  | 9.5                  |                     |                             |    |                |                |                 |                            |
| 10093     | 15440        | OIL-BASED MUD       | 9.5                  | 9.8                  |                     |                             |    |                |                |                 |                            |

**Operator Name:** AVANT OPERATING LLC**Well Name:** SPEYSIDE 18 FEDERAL**Well Number:** 501H

## Section 6 - Test, Logging, Coring

**List of production tests including testing procedures, equipment and safety measures:**

GR log will be acquired by MWD tools throughout the well.

**List of open and cased hole logs run in the well:**

GAMMA RAY LOG,

**Coring operation description for the well:**

No core or open hole or cased hole log is planned.

## Section 7 - Pressure

**Anticipated Bottom Hole Pressure:** 5071**Anticipated Surface Pressure:** 2739**Anticipated Bottom Hole Temperature(F):** 224**Anticipated abnormal pressures, temperatures, or potential geologic hazards?** NO**Describe:****Contingency Plans geohazards description:****Contingency Plans geohazards****Hydrogen Sulfide drilling operations plan required?** YES**Hydrogen sulfide drilling operations**

SS\_H2S\_Plan\_RDC\_20221013093703.pdf

## Section 8 - Other Information

**Proposed horizontal/directional/multi-lateral plan submission:**

SS\_501H\_Horizontal\_Plan\_20221013111306.pdf

**Other proposed operations facets description:**

All perforations will be >100' from the dedication perimeter. Closest water well (CP 01722POD1) is 0.39 miles south. Water bearing strata were reported at 785' in the 1122' deep well.

All casing strings below the conductor will be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, then corrective action will be taken.

**Other proposed operations facets attachment:**

SS\_501H\_Anti\_Collision\_Report\_20221013111341.pdf

SS\_Speed\_Head\_Specs\_20221013111407.pdf

SS\_CoFlex\_Certs\_20230331095018.pdf

SS\_501H\_Drill\_Plan\_Rev\_20230331112139.pdf

**Other Variance attachment:**

Casing\_Cementing\_Variance\_20221013111438.pdf





Speyside 18 Federal 501H  
Lea Co., NM (NAD 83)  
Job No. WT-22-\*\*\*  
Plan 0.1



## SECTION DETAILS

| Sec | MD       | Inc   | Azi    | TVD      | +N/-S    | +E/-W  | Dleg   | TFace  | VSect   | Annotation                       |
|-----|----------|-------|--------|----------|----------|--------|--------|--------|---------|----------------------------------|
| 1   | 0.00     | 0.00  | 0.00   | 0.00     | 0.00     | 0.00   | 0.000  | 0.00   | 0.00    |                                  |
| 2   | 5620.00  | 0.00  | 0.00   | 5620.00  | 0.00     | 0.00   | 0.000  | 0.00   | 0.00    | Build: 2°/100                    |
| 3   | 5848.80  | 4.58  | 86.39  | 5848.56  | 0.57     | 9.11   | 2.000  | 86.39  | -0.52   | Hold: 4.58° Inc, 86.39° Azm      |
| 4   | 9763.29  | 4.58  | 86.39  | 9750.57  | 20.21    | 320.80 | 0.000  | 0.00   | -18.25  | Drop: 2°/100'                    |
| 5   | 9992.09  | 0.00  | 179.65 | 9979.13  | 20.79    | 329.91 | 2.000  | 180.00 | -18.77  | Hold                             |
| 6   | 10092.09 | 0.00  | 179.65 | 10079.13 | 20.79    | 329.91 | 0.000  | 0.00   | -18.77  | KOP: 11°/100' @ 10092.09' MD     |
| 7   | 10910.27 | 90.00 | 179.65 | 10600.00 | -500.07  | 333.05 | 11.000 | 0.00   | 502.10  | LP/Hold: 90.00° Inc, 179.65° Azm |
| 8   | 15440.27 | 90.00 | 179.65 | 10600.00 | -5029.99 | 360.33 | 0.000  | 0.00   | 5032.10 | PBHL                             |

## DESIGN TARGET DETAILS

| Name                                | TVD      | +N/-S    | +E/-W  | Northing  | Easting   | Latitude         | Longitude        |
|-------------------------------------|----------|----------|--------|-----------|-----------|------------------|------------------|
| FTP - Speyside 18 Federal 501H      | 10600.00 | 52.96    | 329.72 | 509777.00 | 798023.50 | 32° 23' 55.324 N | 103° 30' 6.032 W |
| LTP/PBHL - Speyside 18 Federal 501H | 10600.00 | -5029.99 | 360.33 | 504694.05 | 798054.11 | 32° 23' 5.027 N  | 103° 30' 6.136 W |

PROJECT DETAILS: Lea Co., NM (NAD 83)

Geodetic System: US State Plane 1983  
Datum: North American Datum 1983  
Ellipsoid: GRS 1980  
Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level



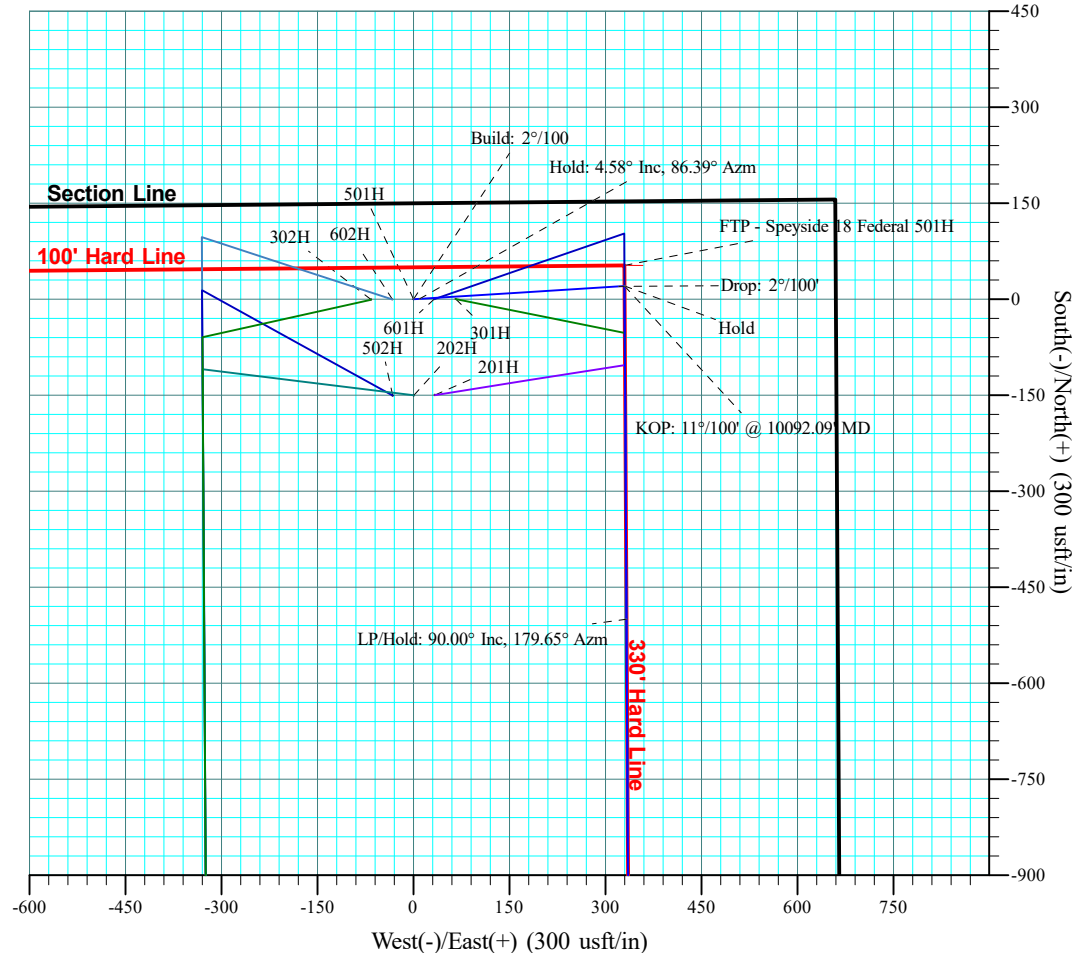
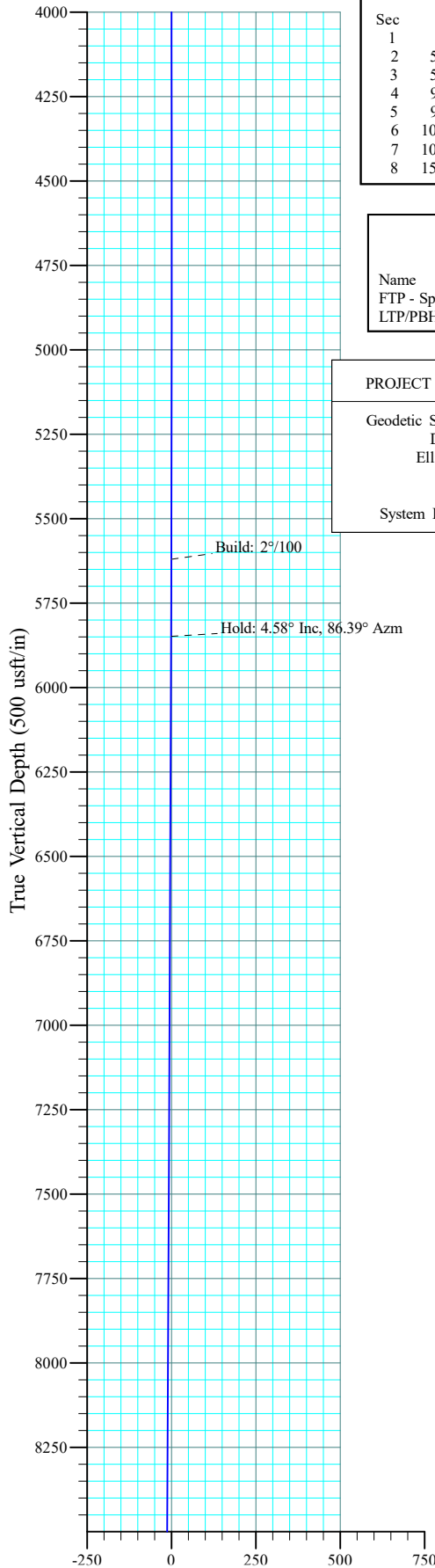
Azimuths to Grid North  
True North: -0.45°  
Magnetic North: 5.86°

Magnetic Field  
Strength: 47712.1nT  
Dip Angle: 60.03°  
Date: 10/3/2022  
Model: MVHD

SITE DETAILS: Speyside 18 Federal Pad

Site Centre Northing: 509649.38  
Easting: 797697.64

Positional Uncertainty: 0.00  
Convergence: 0.45  
Local North: Grid



Drawn By: KRN

Date Created: 8/17/2022

Date Revised: 8/17/2022

File: Avant - Speyside 18 Federal 501H - Plan 0.1 - Int.wpc

Released for Imaging: 4/14/2023 8:18:42 AM

Received by OCD: 4/12/2023 11:12:39 AM

| SECTION DETAILS |          |       |        |          |          |        |        |        |         |                                     |                                  |
|-----------------|----------|-------|--------|----------|----------|--------|--------|--------|---------|-------------------------------------|----------------------------------|
| Sec             | MD       | Inc   | Azi    | TVD      | +N/-S    | +E/-W  | Dleg   | TFace  | VSect   | Target                              | Annotation                       |
| 1               | 0.00     | 0.00  | 0.00   | 0.00     | 0.00     | 0.00   | 0.000  | 0.00   | 0.00    |                                     |                                  |
| 2               | 5620.00  | 0.00  | 0.00   | 5620.00  | 0.00     | 0.00   | 0.000  | 0.00   | 0.00    |                                     | Build: 2°/100'                   |
| 3               | 5848.80  | 4.58  | 86.39  | 5848.56  | 0.57     | 9.11   | 2.000  | 86.39  | -0.52   |                                     | Hold: 4.58° Inc, 86.39° Azm      |
| 4               | 9763.29  | 4.58  | 86.39  | 9750.57  | 20.21    | 320.80 | 0.000  | 0.00   | -18.25  |                                     | Drop: 2°/100'                    |
| 5               | 9992.09  | 0.00  | 179.65 | 9979.13  | 20.79    | 329.91 | 2.000  | 180.00 | -18.77  |                                     | Hold                             |
| 6               | 10092.09 | 0.00  | 179.65 | 10079.13 | 20.79    | 329.91 | 0.000  | 0.00   | -18.77  |                                     | KOP: 11°/100' @ 10092.09' MD     |
| 7               | 10910.27 | 90.00 | 179.65 | 10600.00 | -500.07  | 333.05 | 11.000 | 0.00   | 502.10  |                                     | LP/Hold: 90.00° Inc, 179.65° Azm |
| 8               | 15440.27 | 90.00 | 179.65 | 10600.00 | -5029.99 | 360.33 | 0.000  | 0.00   | 5032.10 | LTP/PBHL - Speyside 18 Federal 501H | PBHL                             |

| DESIGN TARGET DETAILS               |          |          |        |           |           |                  |                  |
|-------------------------------------|----------|----------|--------|-----------|-----------|------------------|------------------|
| Name                                | TVD      | +N/-S    | +E/-W  | Northing  | Easting   | Latitude         | Longitude        |
| FTP - Speyside 18 Federal 501H      | 10600.00 | 52.96    | 329.72 | 509777.00 | 798023.50 | 32° 23' 55.324 N | 103° 30' 6.032 W |
| LTP/PBHL - Speyside 18 Federal 501H | 10600.00 | -5029.99 | 360.33 | 504694.05 | 798054.11 | 32° 23' 5.027 N  | 103° 30' 6.136 W |

PROJECT DETAILS: Lea Co., NM (NAD 83)

Geodetic System: US State Plane 1983  
Datum: North American Datum 1983  
Ellipsoid: GRS 1980  
Zone: New Mexico Eastern Zone  
  
System Datum: Mean Sea Level

SITE DETAILS: Speyside 18 Federal Pad

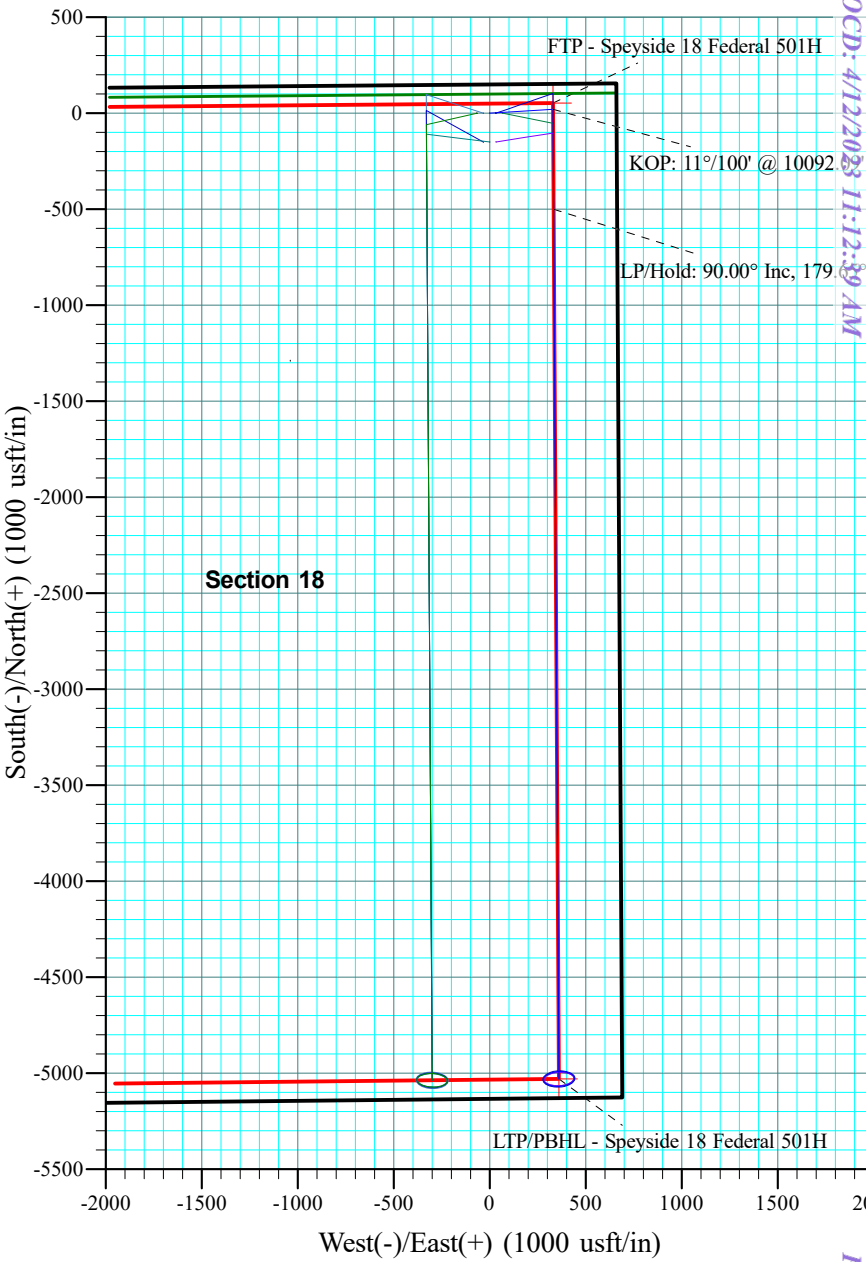
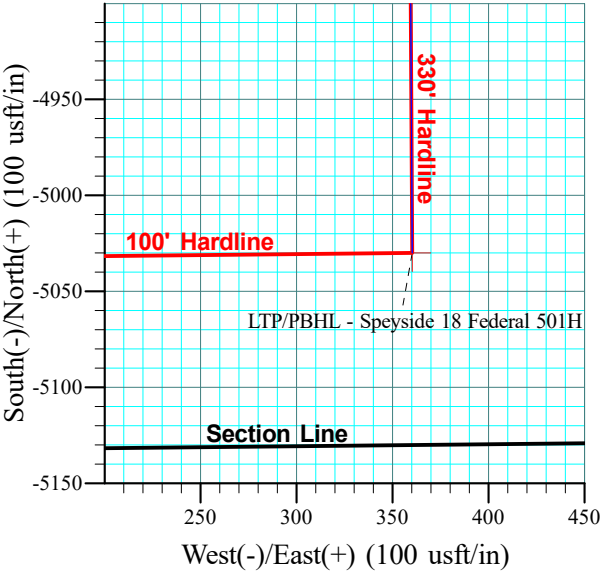
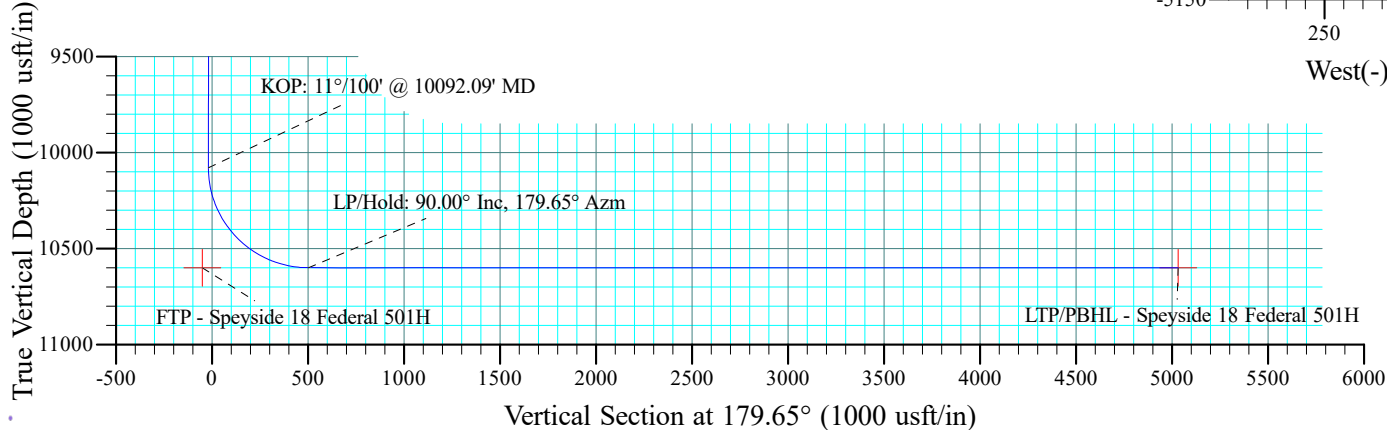
Site Centre Northing: 509649.38  
Easting: 797697.64  
  
Positional Uncertainty: 0.00  
Convergence: 0.45  
Local North: Grid

T

G

M

Azimuths to Grid North  
True North: -0.45°  
Magnetic North: 5.86°  
  
Magnetic Field  
Strength: 47712.1nT  
Dip Angle: 60.03°  
Date: 10/3/2022  
Model: MVHD







## **Avant Operating, LLC**

**Lea Co., NM (NAD 83)  
Speyside 18 Federal Pad  
Speyside 18 Federal 501H**

**Planning**

**Plan: Plan 0.1**

## **Standard Planning Report**

**17 August, 2022**





# Aim Directional Services, LLC

## Planning Report



|                  |                                 |                                     |                               |
|------------------|---------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | RTOC- EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Speyside 18 Federal 501H |
| <b>Company:</b>  | Avant Operating, LLC            | <b>TVD Reference:</b>               | Well @ 3536.00usft            |
| <b>Project:</b>  | Lea Co., NM (NAD 83)            | <b>MD Reference:</b>                | Well @ 3536.00usft            |
| <b>Site:</b>     | Speyside 18 Federal Pad         | <b>North Reference:</b>             | Grid                          |
| <b>Well:</b>     | Speyside 18 Federal 501H        | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Planning                        |                                     |                               |
| <b>Design:</b>   | Plan 0.1                        |                                     |                               |

|                    |                           |                      |                |
|--------------------|---------------------------|----------------------|----------------|
| <b>Project</b>     | Lea Co., NM (NAD 83)      |                      |                |
| <b>Map System:</b> | US State Plane 1983       | <b>System Datum:</b> | Mean Sea Level |
| <b>Geo Datum:</b>  | North American Datum 1983 |                      |                |
| <b>Map Zone:</b>   | New Mexico Eastern Zone   |                      |                |

| Site                  |  |  |           |  |  | Speyside 18 Federal Pad |  |  |                 |  |  |                   |  |  |                  |  |  |
|-----------------------|--|--|-----------|--|--|-------------------------|--|--|-----------------|--|--|-------------------|--|--|------------------|--|--|
| Site Position:        |  |  | Northing: |  |  | 509,649.38 usft         |  |  | Latitude:       |  |  | 32° 23' 54.086 N  |  |  |                  |  |  |
| From:                 |  |  | Map       |  |  | Easting:                |  |  | 797,697.63 usft |  |  | Longitude:        |  |  | 103° 30' 9.844 W |  |  |
| Position Uncertainty: |  |  | 0.00 usft |  |  | Slot Radius:            |  |  | 13-3/16 "       |  |  | Grid Convergence: |  |  | 0.45             |  |  |

| Well                 | Speyside 18 Federal 501H |            |                     |                 |               |                  |
|----------------------|--------------------------|------------|---------------------|-----------------|---------------|------------------|
| Well Position        | +N/-S                    | 74.66 usft | Northing:           | 509,724.04 usft | Latitude:     | 32° 23' 54.825 N |
|                      | +E/-W                    | -3.86 usft | Easting:            | 797,693.78 usft | Longitude:    | 103° 30' 9.883 W |
| Position Uncertainty |                          | 0.00 usft  | Wellhead Elevation: |                 | Ground Level: | 3,511.00 usft    |

|                 |          |  |  |  |  |
|-----------------|----------|--|--|--|--|
| <b>Wellbore</b> | Planning |  |  |  |  |
|-----------------|----------|--|--|--|--|

| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
|-----------|------------|-------------|-----------------|---------------|---------------------|
|           | MVHD       | 10/3/2022   | 6.30            | 60.03         | 47,712.082          |

|               |          |  |  |  |  |
|---------------|----------|--|--|--|--|
| <b>Design</b> | Plan 0.1 |  |  |  |  |
|---------------|----------|--|--|--|--|

|                          |                                |                     |                     |                      |      |
|--------------------------|--------------------------------|---------------------|---------------------|----------------------|------|
| <b>Audit Notes:</b>      |                                |                     |                     |                      |      |
| <b>Version:</b>          |                                | <b>Phase:</b>       | PLAN                | <b>Tie On Depth:</b> | 0.00 |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (usft)</b> | <b>+N/-S (usft)</b> | <b>+E/-W (usft)</b> | <b>Direction (°)</b> |      |
|                          | 0.00                           | 0.00                | 0.00                | 179.65               |      |

| <b>Plan Survey Tool Program</b> | <b>Date</b>     | 8/17/2022         |                     |                 |  |
|---------------------------------|-----------------|-------------------|---------------------|-----------------|--|
| Depth From (usft)               | Depth To (usft) | Survey (Wellbore) | Tool Name           | Remarks         |  |
| 1                               | 0.00            | 15,440.28         | Plan 0.1 (Planning) | B001Mb_MWD+HRGM |  |
|                                 |                 |                   |                     | OWSG MWD + HRGM |  |

| <b>Plan Sections</b>  |                 |             |                       |              |              |                       |                      |                     |         |                   |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-----------------------|----------------------|---------------------|---------|-------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target            |
| 0.00                  | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.000                 | 0.000                | 0.000               | 0.00    |                   |
| 5,620.00              | 0.00            | 0.00        | 5,620.00              | 0.00         | 0.00         | 0.000                 | 0.000                | 0.000               | 0.00    |                   |
| 5,848.80              | 4.58            | 86.39       | 5,848.56              | 0.57         | 9.11         | 2.000                 | 2.000                | 0.000               | 86.39   |                   |
| 9,763.29              | 4.58            | 86.39       | 9,750.57              | 20.21        | 320.80       | 0.000                 | 0.000                | 0.000               | 0.00    |                   |
| 9,992.09              | 0.00            | 179.65      | 9,979.13              | 20.79        | 329.91       | 2.000                 | -2.000               | 0.000               | 180.00  |                   |
| 10,092.09             | 0.00            | 179.65      | 10,079.13             | 20.79        | 329.91       | 0.000                 | 0.000                | 0.000               | 0.00    |                   |
| 10,910.28             | 90.00           | 179.65      | 10,600.00             | -500.07      | 333.05       | 11.000                | 11.000               | 0.000               | 0.00    |                   |
| 15,440.28             | 90.00           | 179.65      | 10,600.00             | -5,029.99    | 360.33       | 0.000                 | 0.000                | 0.000               | 0.00    | LTP/PBHL - Speysi |



# Aim Directional Services, LLC

## Planning Report



|                  |                                 |                                     |                               |
|------------------|---------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | RTOC- EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Speyside 18 Federal 501H |
| <b>Company:</b>  | Avant Operating, LLC            | <b>TVD Reference:</b>               | Well @ 3536.00usft            |
| <b>Project:</b>  | Lea Co., NM (NAD 83)            | <b>MD Reference:</b>                | Well @ 3536.00usft            |
| <b>Site:</b>     | Speyside 18 Federal Pad         | <b>North Reference:</b>             | Grid                          |
| <b>Well:</b>     | Speyside 18 Federal 501H        | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Planning                        |                                     |                               |
| <b>Design:</b>   | Plan 0.1                        |                                     |                               |

| Planned Survey        |                 |             |                       |              |              |                         |                       |                      |                     |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-----------------------|----------------------|---------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 0.00                  | 0.00            | 0.00        | 0.00                  | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 100.00                | 0.00            | 0.00        | 100.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 200.00                | 0.00            | 0.00        | 200.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 300.00                | 0.00            | 0.00        | 300.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 400.00                | 0.00            | 0.00        | 400.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 500.00                | 0.00            | 0.00        | 500.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 600.00                | 0.00            | 0.00        | 600.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 700.00                | 0.00            | 0.00        | 700.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 800.00                | 0.00            | 0.00        | 800.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 900.00                | 0.00            | 0.00        | 900.00                | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,000.00              | 0.00            | 0.00        | 1,000.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,100.00              | 0.00            | 0.00        | 1,100.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,200.00              | 0.00            | 0.00        | 1,200.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,300.00              | 0.00            | 0.00        | 1,300.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,400.00              | 0.00            | 0.00        | 1,400.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,500.00              | 0.00            | 0.00        | 1,500.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,600.00              | 0.00            | 0.00        | 1,600.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,700.00              | 0.00            | 0.00        | 1,700.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,800.00              | 0.00            | 0.00        | 1,800.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 1,900.00              | 0.00            | 0.00        | 1,900.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,000.00              | 0.00            | 0.00        | 2,000.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,100.00              | 0.00            | 0.00        | 2,100.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,200.00              | 0.00            | 0.00        | 2,200.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,300.00              | 0.00            | 0.00        | 2,300.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,400.00              | 0.00            | 0.00        | 2,400.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,500.00              | 0.00            | 0.00        | 2,500.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,600.00              | 0.00            | 0.00        | 2,600.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,700.00              | 0.00            | 0.00        | 2,700.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,800.00              | 0.00            | 0.00        | 2,800.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 2,900.00              | 0.00            | 0.00        | 2,900.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,000.00              | 0.00            | 0.00        | 3,000.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,100.00              | 0.00            | 0.00        | 3,100.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,200.00              | 0.00            | 0.00        | 3,200.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,300.00              | 0.00            | 0.00        | 3,300.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,400.00              | 0.00            | 0.00        | 3,400.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,500.00              | 0.00            | 0.00        | 3,500.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,600.00              | 0.00            | 0.00        | 3,600.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,700.00              | 0.00            | 0.00        | 3,700.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,800.00              | 0.00            | 0.00        | 3,800.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 3,900.00              | 0.00            | 0.00        | 3,900.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,000.00              | 0.00            | 0.00        | 4,000.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,100.00              | 0.00            | 0.00        | 4,100.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,200.00              | 0.00            | 0.00        | 4,200.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,300.00              | 0.00            | 0.00        | 4,300.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,400.00              | 0.00            | 0.00        | 4,400.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,500.00              | 0.00            | 0.00        | 4,500.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,600.00              | 0.00            | 0.00        | 4,600.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,700.00              | 0.00            | 0.00        | 4,700.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,800.00              | 0.00            | 0.00        | 4,800.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 4,900.00              | 0.00            | 0.00        | 4,900.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,000.00              | 0.00            | 0.00        | 5,000.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,100.00              | 0.00            | 0.00        | 5,100.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,200.00              | 0.00            | 0.00        | 5,200.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,300.00              | 0.00            | 0.00        | 5,300.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |



# Aim Directional Services, LLC

## Planning Report



|                  |                                 |                                     |                               |
|------------------|---------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | RTOC- EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Speyside 18 Federal 501H |
| <b>Company:</b>  | Avant Operating, LLC            | <b>TVD Reference:</b>               | Well @ 3536.00usft            |
| <b>Project:</b>  | Lea Co., NM (NAD 83)            | <b>MD Reference:</b>                | Well @ 3536.00usft            |
| <b>Site:</b>     | Speyside 18 Federal Pad         | <b>North Reference:</b>             | Grid                          |
| <b>Well:</b>     | Speyside 18 Federal 501H        | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Planning                        |                                     |                               |
| <b>Design:</b>   | Plan 0.1                        |                                     |                               |

| Planned Survey                     |                 |             |                       |              |              |                         |                       |                      |                     |
|------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-----------------------|----------------------|---------------------|
| Measured Depth (usft)              | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 5,400.00                           | 0.00            | 0.00        | 5,400.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,500.00                           | 0.00            | 0.00        | 5,500.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,600.00                           | 0.00            | 0.00        | 5,600.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| 5,620.00                           | 0.00            | 0.00        | 5,620.00              | 0.00         | 0.00         | 0.00                    | 0.000                 | 0.000                | 0.000               |
| <b>Build: 2°/100</b>               |                 |             |                       |              |              |                         |                       |                      |                     |
| 5,700.00                           | 1.60            | 86.39       | 5,699.99              | 0.07         | 1.11         | -0.06                   | 2.000                 | 2.000                | 0.000               |
| 5,800.00                           | 3.60            | 86.39       | 5,799.88              | 0.36         | 5.64         | -0.32                   | 2.000                 | 2.000                | 0.000               |
| 5,848.80                           | 4.58            | 86.39       | 5,848.56              | 0.57         | 9.11         | -0.52                   | 2.000                 | 2.000                | 0.000               |
| <b>Hold: 4.58° Inc, 86.39° Azm</b> |                 |             |                       |              |              |                         |                       |                      |                     |
| 5,900.00                           | 4.58            | 86.39       | 5,899.59              | 0.83         | 13.19        | -0.75                   | 0.000                 | 0.000                | 0.000               |
| 6,000.00                           | 4.58            | 86.39       | 5,999.28              | 1.33         | 21.15        | -1.20                   | 0.000                 | 0.000                | 0.000               |
| 6,100.00                           | 4.58            | 86.39       | 6,098.96              | 1.83         | 29.12        | -1.66                   | 0.000                 | 0.000                | 0.000               |
| 6,200.00                           | 4.58            | 86.39       | 6,198.64              | 2.34         | 37.08        | -2.11                   | 0.000                 | 0.000                | 0.000               |
| 6,300.00                           | 4.58            | 86.39       | 6,298.32              | 2.84         | 45.04        | -2.56                   | 0.000                 | 0.000                | 0.000               |
| 6,400.00                           | 4.58            | 86.39       | 6,398.00              | 3.34         | 53.00        | -3.02                   | 0.000                 | 0.000                | 0.000               |
| 6,500.00                           | 4.58            | 86.39       | 6,497.68              | 3.84         | 60.96        | -3.47                   | 0.000                 | 0.000                | 0.000               |
| 6,600.00                           | 4.58            | 86.39       | 6,597.36              | 4.34         | 68.93        | -3.92                   | 0.000                 | 0.000                | 0.000               |
| 6,700.00                           | 4.58            | 86.39       | 6,697.04              | 4.84         | 76.89        | -4.38                   | 0.000                 | 0.000                | 0.000               |
| 6,800.00                           | 4.58            | 86.39       | 6,796.72              | 5.35         | 84.85        | -4.83                   | 0.000                 | 0.000                | 0.000               |
| 6,900.00                           | 4.58            | 86.39       | 6,896.41              | 5.85         | 92.81        | -5.28                   | 0.000                 | 0.000                | 0.000               |
| 7,000.00                           | 4.58            | 86.39       | 6,996.09              | 6.35         | 100.78       | -5.73                   | 0.000                 | 0.000                | 0.000               |
| 7,100.00                           | 4.58            | 86.39       | 7,095.77              | 6.85         | 108.74       | -6.19                   | 0.000                 | 0.000                | 0.000               |
| 7,200.00                           | 4.58            | 86.39       | 7,195.45              | 7.35         | 116.70       | -6.64                   | 0.000                 | 0.000                | 0.000               |
| 7,300.00                           | 4.58            | 86.39       | 7,295.13              | 7.86         | 124.66       | -7.09                   | 0.000                 | 0.000                | 0.000               |
| 7,400.00                           | 4.58            | 86.39       | 7,394.81              | 8.36         | 132.63       | -7.55                   | 0.000                 | 0.000                | 0.000               |
| 7,500.00                           | 4.58            | 86.39       | 7,494.49              | 8.86         | 140.59       | -8.00                   | 0.000                 | 0.000                | 0.000               |
| 7,600.00                           | 4.58            | 86.39       | 7,594.17              | 9.36         | 148.55       | -8.45                   | 0.000                 | 0.000                | 0.000               |
| 7,700.00                           | 4.58            | 86.39       | 7,693.86              | 9.86         | 156.51       | -8.91                   | 0.000                 | 0.000                | 0.000               |
| 7,800.00                           | 4.58            | 86.39       | 7,793.54              | 10.36        | 164.48       | -9.36                   | 0.000                 | 0.000                | 0.000               |
| 7,900.00                           | 4.58            | 86.39       | 7,893.22              | 10.87        | 172.44       | -9.81                   | 0.000                 | 0.000                | 0.000               |
| 8,000.00                           | 4.58            | 86.39       | 7,992.90              | 11.37        | 180.40       | -10.26                  | 0.000                 | 0.000                | 0.000               |
| 8,100.00                           | 4.58            | 86.39       | 8,092.58              | 11.87        | 188.36       | -10.72                  | 0.000                 | 0.000                | 0.000               |
| 8,200.00                           | 4.58            | 86.39       | 8,192.26              | 12.37        | 196.32       | -11.17                  | 0.000                 | 0.000                | 0.000               |
| 8,300.00                           | 4.58            | 86.39       | 8,291.94              | 12.87        | 204.29       | -11.62                  | 0.000                 | 0.000                | 0.000               |
| 8,400.00                           | 4.58            | 86.39       | 8,391.62              | 13.37        | 212.25       | -12.08                  | 0.000                 | 0.000                | 0.000               |
| 8,500.00                           | 4.58            | 86.39       | 8,491.31              | 13.88        | 220.21       | -12.53                  | 0.000                 | 0.000                | 0.000               |
| 8,600.00                           | 4.58            | 86.39       | 8,590.99              | 14.38        | 228.17       | -12.98                  | 0.000                 | 0.000                | 0.000               |
| 8,700.00                           | 4.58            | 86.39       | 8,690.67              | 14.88        | 236.14       | -13.44                  | 0.000                 | 0.000                | 0.000               |
| 8,800.00                           | 4.58            | 86.39       | 8,790.35              | 15.38        | 244.10       | -13.89                  | 0.000                 | 0.000                | 0.000               |
| 8,900.00                           | 4.58            | 86.39       | 8,890.03              | 15.88        | 252.06       | -14.34                  | 0.000                 | 0.000                | 0.000               |
| 9,000.00                           | 4.58            | 86.39       | 8,989.71              | 16.38        | 260.02       | -14.80                  | 0.000                 | 0.000                | 0.000               |
| 9,100.00                           | 4.58            | 86.39       | 9,089.39              | 16.89        | 267.99       | -15.25                  | 0.000                 | 0.000                | 0.000               |
| 9,200.00                           | 4.58            | 86.39       | 9,189.07              | 17.39        | 275.95       | -15.70                  | 0.000                 | 0.000                | 0.000               |
| 9,300.00                           | 4.58            | 86.39       | 9,288.76              | 17.89        | 283.91       | -16.15                  | 0.000                 | 0.000                | 0.000               |
| 9,400.00                           | 4.58            | 86.39       | 9,388.44              | 18.39        | 291.87       | -16.61                  | 0.000                 | 0.000                | 0.000               |
| 9,500.00                           | 4.58            | 86.39       | 9,488.12              | 18.89        | 299.84       | -17.06                  | 0.000                 | 0.000                | 0.000               |
| 9,600.00                           | 4.58            | 86.39       | 9,587.80              | 19.39        | 307.80       | -17.51                  | 0.000                 | 0.000                | 0.000               |
| 9,700.00                           | 4.58            | 86.39       | 9,687.48              | 19.90        | 315.76       | -17.97                  | 0.000                 | 0.000                | 0.000               |
| 9,763.29                           | 4.58            | 86.39       | 9,750.57              | 20.21        | 320.80       | -18.25                  | 0.000                 | 0.000                | 0.000               |
| <b>Drop: 2°/100'</b>               |                 |             |                       |              |              |                         |                       |                      |                     |
| 9,800.00                           | 3.84            | 86.39       | 9,787.18              | 20.38        | 323.49       | -18.41                  | 2.000                 | -2.000               | 0.000               |
| 9,900.00                           | 1.84            | 86.39       | 9,887.05              | 20.70        | 328.44       | -18.69                  | 2.000                 | -2.000               | 0.000               |
| 9,992.09                           | 0.00            | 0.00        | 9,979.13              | 20.79        | 329.91       | -18.77                  | 2.000                 | -2.000               | 0.000               |



# Aim Directional Services, LLC

## Planning Report



|                  |                                 |                                     |                               |
|------------------|---------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | RTOC- EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Speyside 18 Federal 501H |
| <b>Company:</b>  | Avant Operating, LLC            | <b>TVD Reference:</b>               | Well @ 3536.00usft            |
| <b>Project:</b>  | Lea Co., NM (NAD 83)            | <b>MD Reference:</b>                | Well @ 3536.00usft            |
| <b>Site:</b>     | Speyside 18 Federal Pad         | <b>North Reference:</b>             | Grid                          |
| <b>Well:</b>     | Speyside 18 Federal 501H        | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Planning                        |                                     |                               |
| <b>Design:</b>   | Plan 0.1                        |                                     |                               |

| Planned Survey                          |                 |             |                       |              |              |                         |                       |                      |                     |
|-----------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-----------------------|----------------------|---------------------|
| Measured Depth (usft)                   | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| <b>Hold</b>                             |                 |             |                       |              |              |                         |                       |                      |                     |
| 10,000.00                               | 0.00            | 0.00        | 9,987.04              | 20.79        | 329.91       | -18.77                  | 0.000                 | 0.000                | 0.000               |
| 10,092.09                               | 0.00            | 0.00        | 10,079.13             | 20.79        | 329.91       | -18.77                  | 0.000                 | 0.000                | 0.000               |
| <b>KOP: 11°/100' @ 10092.09' MD</b>     |                 |             |                       |              |              |                         |                       |                      |                     |
| 10,100.00                               | 0.87            | 179.65      | 10,087.04             | 20.73        | 329.91       | -18.71                  | 11.000                | 11.000               | 0.000               |
| 10,150.00                               | 6.37            | 179.65      | 10,136.92             | 17.57        | 329.93       | -15.56                  | 11.000                | 11.000               | 0.000               |
| 10,200.00                               | 11.87           | 179.65      | 10,186.27             | 9.65         | 329.98       | -7.64                   | 11.000                | 11.000               | 0.000               |
| 10,250.00                               | 17.37           | 179.65      | 10,234.63             | -2.96        | 330.06       | 4.98                    | 11.000                | 11.000               | 0.000               |
| 10,300.00                               | 22.87           | 179.65      | 10,281.56             | -20.16       | 330.16       | 22.17                   | 11.000                | 11.000               | 0.000               |
| 10,350.00                               | 28.37           | 179.65      | 10,326.63             | -41.77       | 330.29       | 43.78                   | 11.000                | 11.000               | 0.000               |
| 10,400.00                               | 33.87           | 179.65      | 10,369.41             | -67.60       | 330.45       | 69.62                   | 11.000                | 11.000               | 0.000               |
| 10,450.00                               | 39.37           | 179.65      | 10,409.53             | -97.41       | 330.63       | 99.43                   | 11.000                | 11.000               | 0.000               |
| 10,500.00                               | 44.87           | 179.65      | 10,446.60             | -130.93      | 330.83       | 132.95                  | 11.000                | 11.000               | 0.000               |
| 10,550.00                               | 50.37           | 179.65      | 10,480.29             | -167.85      | 331.05       | 169.87                  | 11.000                | 11.000               | 0.000               |
| 10,600.00                               | 55.87           | 179.65      | 10,510.29             | -207.83      | 331.29       | 209.85                  | 11.000                | 11.000               | 0.000               |
| 10,650.00                               | 61.37           | 179.65      | 10,536.31             | -250.50      | 331.55       | 252.52                  | 11.000                | 11.000               | 0.000               |
| 10,700.00                               | 66.87           | 179.65      | 10,558.13             | -295.47      | 331.82       | 297.49                  | 11.000                | 11.000               | 0.000               |
| 10,750.00                               | 72.37           | 179.65      | 10,575.54             | -342.32      | 332.10       | 344.34                  | 11.000                | 11.000               | 0.000               |
| 10,800.00                               | 77.87           | 179.65      | 10,588.37             | -390.62      | 332.39       | 392.64                  | 11.000                | 11.000               | 0.000               |
| 10,850.00                               | 83.37           | 179.65      | 10,596.52             | -439.93      | 332.69       | 441.96                  | 11.000                | 11.000               | 0.000               |
| 10,900.00                               | 88.87           | 179.65      | 10,599.90             | -489.80      | 332.99       | 491.82                  | 11.000                | 11.000               | 0.000               |
| 10,910.28                               | 90.00           | 179.65      | 10,600.00             | -500.07      | 333.05       | 502.10                  | 11.000                | 11.000               | 0.000               |
| <b>LP/Hold: 90.00° Inc, 179.65° Azm</b> |                 |             |                       |              |              |                         |                       |                      |                     |
| 11,000.00                               | 90.00           | 179.65      | 10,600.00             | -589.80      | 333.59       | 591.82                  | 0.000                 | 0.000                | 0.000               |
| 11,100.00                               | 90.00           | 179.65      | 10,600.00             | -689.79      | 334.19       | 691.82                  | 0.000                 | 0.000                | 0.000               |
| 11,200.00                               | 90.00           | 179.65      | 10,600.00             | -789.79      | 334.80       | 791.82                  | 0.000                 | 0.000                | 0.000               |
| 11,300.00                               | 90.00           | 179.65      | 10,600.00             | -889.79      | 335.40       | 891.82                  | 0.000                 | 0.000                | 0.000               |
| 11,400.00                               | 90.00           | 179.65      | 10,600.00             | -989.79      | 336.00       | 991.82                  | 0.000                 | 0.000                | 0.000               |
| 11,500.00                               | 90.00           | 179.65      | 10,600.00             | -1,089.79    | 336.60       | 1,091.82                | 0.000                 | 0.000                | 0.000               |
| 11,600.00                               | 90.00           | 179.65      | 10,600.00             | -1,189.78    | 337.20       | 1,191.82                | 0.000                 | 0.000                | 0.000               |
| 11,700.00                               | 90.00           | 179.65      | 10,600.00             | -1,289.78    | 337.81       | 1,291.82                | 0.000                 | 0.000                | 0.000               |
| 11,800.00                               | 90.00           | 179.65      | 10,600.00             | -1,389.78    | 338.41       | 1,391.82                | 0.000                 | 0.000                | 0.000               |
| 11,900.00                               | 90.00           | 179.65      | 10,600.00             | -1,489.78    | 339.01       | 1,491.82                | 0.000                 | 0.000                | 0.000               |
| 12,000.00                               | 90.00           | 179.65      | 10,600.00             | -1,589.78    | 339.61       | 1,591.82                | 0.000                 | 0.000                | 0.000               |
| 12,100.00                               | 90.00           | 179.65      | 10,600.00             | -1,689.78    | 340.21       | 1,691.82                | 0.000                 | 0.000                | 0.000               |
| 12,200.00                               | 90.00           | 179.65      | 10,600.00             | -1,789.77    | 340.82       | 1,791.82                | 0.000                 | 0.000                | 0.000               |
| 12,300.00                               | 90.00           | 179.65      | 10,600.00             | -1,889.77    | 341.42       | 1,891.82                | 0.000                 | 0.000                | 0.000               |
| 12,400.00                               | 90.00           | 179.65      | 10,600.00             | -1,989.77    | 342.02       | 1,991.82                | 0.000                 | 0.000                | 0.000               |
| 12,500.00                               | 90.00           | 179.65      | 10,600.00             | -2,089.77    | 342.62       | 2,091.82                | 0.000                 | 0.000                | 0.000               |
| 12,600.00                               | 90.00           | 179.65      | 10,600.00             | -2,189.77    | 343.23       | 2,191.82                | 0.000                 | 0.000                | 0.000               |
| 12,700.00                               | 90.00           | 179.65      | 10,600.00             | -2,289.76    | 343.83       | 2,291.82                | 0.000                 | 0.000                | 0.000               |
| 12,800.00                               | 90.00           | 179.65      | 10,600.00             | -2,389.76    | 344.43       | 2,391.82                | 0.000                 | 0.000                | 0.000               |
| 12,900.00                               | 90.00           | 179.65      | 10,600.00             | -2,489.76    | 345.03       | 2,491.82                | 0.000                 | 0.000                | 0.000               |
| 13,000.00                               | 90.00           | 179.65      | 10,600.00             | -2,589.76    | 345.63       | 2,591.82                | 0.000                 | 0.000                | 0.000               |
| 13,100.00                               | 90.00           | 179.65      | 10,600.00             | -2,689.76    | 346.24       | 2,691.82                | 0.000                 | 0.000                | 0.000               |
| 13,200.00                               | 90.00           | 179.65      | 10,600.00             | -2,789.76    | 346.84       | 2,791.82                | 0.000                 | 0.000                | 0.000               |
| 13,300.00                               | 90.00           | 179.65      | 10,600.00             | -2,889.75    | 347.44       | 2,891.82                | 0.000                 | 0.000                | 0.000               |
| 13,400.00                               | 90.00           | 179.65      | 10,600.00             | -2,989.75    | 348.04       | 2,991.82                | 0.000                 | 0.000                | 0.000               |
| 13,500.00                               | 90.00           | 179.65      | 10,600.00             | -3,089.75    | 348.65       | 3,091.82                | 0.000                 | 0.000                | 0.000               |
| 13,600.00                               | 90.00           | 179.65      | 10,600.00             | -3,189.75    | 349.25       | 3,191.82                | 0.000                 | 0.000                | 0.000               |
| 13,700.00                               | 90.00           | 179.65      | 10,600.00             | -3,289.75    | 349.85       | 3,291.82                | 0.000                 | 0.000                | 0.000               |
| 13,800.00                               | 90.00           | 179.65      | 10,600.00             | -3,389.75    | 350.45       | 3,391.82                | 0.000                 | 0.000                | 0.000               |
| 13,900.00                               | 90.00           | 179.65      | 10,600.00             | -3,489.74    | 351.05       | 3,491.82                | 0.000                 | 0.000                | 0.000               |



# Aim Directional Services, LLC

## Planning Report



|                  |                                 |                                     |                               |
|------------------|---------------------------------|-------------------------------------|-------------------------------|
| <b>Database:</b> | RTOC- EDM 5000.1 Single User Db | <b>Local Co-ordinate Reference:</b> | Well Speyside 18 Federal 501H |
| <b>Company:</b>  | Avant Operating, LLC            | <b>TVD Reference:</b>               | Well @ 3536.00usft            |
| <b>Project:</b>  | Lea Co., NM (NAD 83)            | <b>MD Reference:</b>                | Well @ 3536.00usft            |
| <b>Site:</b>     | Speyside 18 Federal Pad         | <b>North Reference:</b>             | Grid                          |
| <b>Well:</b>     | Speyside 18 Federal 501H        | <b>Survey Calculation Method:</b>   | Minimum Curvature             |
| <b>Wellbore:</b> | Planning                        |                                     |                               |
| <b>Design:</b>   | Plan 0.1                        |                                     |                               |

### Planned Survey

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-----------------------|----------------------|---------------------|
| 14,000.00             | 90.00           | 179.65      | 10,600.00             | -3,589.74    | 351.66       | 3,591.82                | 0.000                 | 0.000                | 0.000               |
| 14,100.00             | 90.00           | 179.65      | 10,600.00             | -3,689.74    | 352.26       | 3,691.82                | 0.000                 | 0.000                | 0.000               |
| 14,200.00             | 90.00           | 179.65      | 10,600.00             | -3,789.74    | 352.86       | 3,791.82                | 0.000                 | 0.000                | 0.000               |
| 14,300.00             | 90.00           | 179.65      | 10,600.00             | -3,889.74    | 353.46       | 3,891.82                | 0.000                 | 0.000                | 0.000               |
| 14,400.00             | 90.00           | 179.65      | 10,600.00             | -3,989.73    | 354.07       | 3,991.82                | 0.000                 | 0.000                | 0.000               |
| 14,500.00             | 90.00           | 179.65      | 10,600.00             | -4,089.73    | 354.67       | 4,091.82                | 0.000                 | 0.000                | 0.000               |
| 14,600.00             | 90.00           | 179.65      | 10,600.00             | -4,189.73    | 355.27       | 4,191.82                | 0.000                 | 0.000                | 0.000               |
| 14,700.00             | 90.00           | 179.65      | 10,600.00             | -4,289.73    | 355.87       | 4,291.82                | 0.000                 | 0.000                | 0.000               |
| 14,800.00             | 90.00           | 179.65      | 10,600.00             | -4,389.73    | 356.47       | 4,391.82                | 0.000                 | 0.000                | 0.000               |
| 14,900.00             | 90.00           | 179.65      | 10,600.00             | -4,489.73    | 357.08       | 4,491.82                | 0.000                 | 0.000                | 0.000               |
| 15,000.00             | 90.00           | 179.65      | 10,600.00             | -4,589.72    | 357.68       | 4,591.82                | 0.000                 | 0.000                | 0.000               |
| 15,100.00             | 90.00           | 179.65      | 10,600.00             | -4,689.72    | 358.28       | 4,691.82                | 0.000                 | 0.000                | 0.000               |
| 15,200.00             | 90.00           | 179.65      | 10,600.00             | -4,789.72    | 358.88       | 4,791.82                | 0.000                 | 0.000                | 0.000               |
| 15,300.00             | 90.00           | 179.65      | 10,600.00             | -4,889.72    | 359.49       | 4,891.82                | 0.000                 | 0.000                | 0.000               |
| 15,400.00             | 90.00           | 179.65      | 10,600.00             | -4,989.72    | 360.09       | 4,991.82                | 0.000                 | 0.000                | 0.000               |
| 15,440.28             | 90.00           | 179.65      | 10,600.00             | -5,029.99    | 360.33       | 5,032.10                | 0.000                 | 0.000                | 0.000               |
| PBHL                  |                 |             |                       |              |              |                         |                       |                      |                     |

### Design Targets

| Target Name                                                                                      | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude         | Longitude        |
|--------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|------------------|------------------|
| FTP - Speyside 18 Fe<br>- hit/miss target<br>- Shape<br>- Point                                  | 0.00          | 0.00         | 10,600.00  | 52.96        | 329.72       | 509,777.00      | 798,023.50     | 32° 23' 55.324 N | 103° 30' 6.032 W |
| - plan misses target center by 238.91usft at 10490.44usft MD (10439.77 TVD, -124.25 N, 330.79 E) |               |              |            |              |              |                 |                |                  |                  |
| LTP/PBHL - Speyside<br>- plan hits target center<br>- Point                                      | 0.00          | 0.00         | 10,600.00  | -5,029.99    | 360.33       | 504,694.05      | 798,054.11     | 32° 23' 5.027 N  | 103° 30' 6.136 W |

### Casing Points

| Measured Depth (usft) | Vertical Depth (usft) | Name       | Casing Diameter (") | Hole Diameter (") |
|-----------------------|-----------------------|------------|---------------------|-------------------|
| 16,033.90             |                       | 20" Casing | 20                  | 24                |

### Plan Annotations

| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates +N/-S (usft) | +E/-W (usft) | Comment                          |
|-----------------------|-----------------------|--------------------------------|--------------|----------------------------------|
| 5,620.00              | 5,620.00              | 0.00                           | 0.00         | Build: 2°/100                    |
| 5,848.80              | 5,848.56              | 0.57                           | 9.11         | Hold: 4.58° Inc, 86.39° Azm      |
| 9,763.29              | 9,750.57              | 20.21                          | 320.80       | Drop: 2°/100'                    |
| 9,992.09              | 9,979.13              | 20.79                          | 329.91       | Hold                             |
| 10,092.09             | 10,079.13             | 20.79                          | 329.91       | KOP: 11°/100' @ 10092.09' MD     |
| 10,910.28             | 10,600.00             | -500.07                        | 333.05       | LP/Hold: 90.00° Inc, 179.65° Azm |
| 15,440.28             | 10,600.00             | -5,029.99                      | 360.33       | PBHL                             |



**PECOS DISTRICT  
DRILLING CONDITIONS OF APPROVAL**

|                         |                                    |
|-------------------------|------------------------------------|
| <b>OPERATOR'S NAME:</b> | <b>Avant Operating LLC</b>         |
| <b>LEASE NO.:</b>       | <b>NMNM140721</b>                  |
| <b>LOCATION:</b>        | Section 18, T.22 S., R.34 E., NMPM |
| <b>COUNTY:</b>          | Lea County, New Mexico             |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Speyside 18 Federal 301H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 150'/N & 594'/E                 |
| <b>BOTTOM HOLE FOOTAGE</b>   | 100'/S & 330'/E                 |
| <b>ATS/API ID:</b>           | <b>ATS-23-70</b>                |
| <b>APD ID:</b>               | <b>10400088609</b>              |
| <b>Sundry ID:</b>            | N/A                             |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Speyside 18 Federal 302H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 150'/N & 726'/E                 |
| <b>BOTTOM HOLE FOOTAGE</b>   | 100'/S & 990'/E                 |
| <b>ATS/API ID:</b>           | <b>ATS-23-69</b>                |
| <b>APD ID:</b>               | <b>10400088611</b>              |
| <b>Sundry ID:</b>            | N/A                             |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Speyside 18 Federal 501H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 150'/N & 660'/E                 |
| <b>BOTTOM HOLE FOOTAGE</b>   | 100'/S & 330'/E                 |
| <b>ATS/API ID:</b>           | <b>ATS-23-51</b>                |
| <b>APD ID:</b>               | <b>10400088629</b>              |
| <b>Sundry ID:</b>            | N/A                             |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Speyside 18 Federal 502H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 300'/N & 693'/E                 |
| <b>BOTTOM HOLE FOOTAGE</b>   | 100'/S & 990'/E                 |
| <b>ATS/API ID:</b>           | <b>ATS-23-50</b>                |
| <b>APD ID:</b>               | <b>10400088636</b>              |
| <b>Sundry ID:</b>            | N/A                             |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Speyside 18 Federal 601H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 150'/N & 627'/E                 |
| <b>BOTTOM HOLE FOOTAGE</b>   | 100'/S & 330'/E                 |
| <b>ATS/API ID:</b>           | <b>ATS-23-49</b>                |
| <b>APD ID:</b>               | <b>10400088637</b>              |
| <b>Sundry ID:</b>            | N/A                             |

|                              |                                 |
|------------------------------|---------------------------------|
| <b>WELL NAME &amp; NO.:</b>  | <b>Speyside 18 Federal 602H</b> |
| <b>SURFACE HOLE FOOTAGE:</b> | 150'/N & 627'/E                 |
| <b>BOTTOM HOLE FOOTAGE:</b>  | 100'/S & 330'/E                 |
| <b>ATS/API ID:</b>           | <b>ATS-23-48</b>                |
| <b>APD ID:</b>               | <b>10400088640</b>              |
| <b>Sundry ID:</b>            | N/A                             |

COA

|                               |                                                   |                                               |                                           |
|-------------------------------|---------------------------------------------------|-----------------------------------------------|-------------------------------------------|
| H2S                           | No                                                |                                               |                                           |
| Potash                        | None                                              |                                               |                                           |
| Cave/Karst Potential          | Low                                               |                                               |                                           |
| Cave/Karst Potential          | <input type="checkbox"/> Critical                 |                                               |                                           |
| Variance                      | <input checked="" type="checkbox"/> None          | <input checked="" type="checkbox"/> Flex Hose | <input checked="" type="checkbox"/> Other |
| Wellhead                      | Conventional and Multibowl                        |                                               |                                           |
| Other                         | <input type="checkbox"/> 4 String                 | Capitan Reef<br>None                          | <input type="checkbox"/> WIPP             |
| Other                         | Pilot Hole<br>None                                | <input type="checkbox"/> Open Annulus         |                                           |
| Cementing                     | Contingency Squeeze<br>None                       | Echo-Meter<br>None                            | Primary Cement Squeeze<br>None            |
| Special Requirements          | <input type="checkbox"/> Water Disposal/Injection | <input type="checkbox"/> COM                  | <input type="checkbox"/> Unit             |
| Special Requirements          | <input type="checkbox"/> Batch Sundry             |                                               |                                           |
| Special Requirements Variance | <input type="checkbox"/> Break Testing            | <input type="checkbox"/> Offline Cementing    | <input type="checkbox"/> Casing Clearance |

**A. HYDROGEN SULFIDE**

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

**B. CASING**

1. The **13-3/8** inch surface casing shall be set at approximately **1812 feet** (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface. The surface hole shall be **17 1/2** inch in diameter.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

**Option 1 (Single Stage):**

- Cement to surface. If cement does not circulate see B.1.a, c-d above.

**Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
  - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

### C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

#### Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** inch intermediate casing shoe shall be **5000 (5M)** psi.

#### Option 2:

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the **13-3/8** inch surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

## GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

☒ Lea County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)  
689-5981

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
  - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
  - b. When the operator proposes to set surface casing with Spudder Rig
    - Notify the BLM when moving in and removing the Spudder Rig.
    - Notify the BLM when moving in the 2<sup>nd</sup> Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
    - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

## A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

## B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
  - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin



after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

LVO 4/5/2023

## Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H<sub>2</sub>S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:

- Well control equipment
  - a. Flare line 150' from wellhead to be ignited by flare gun.
  - b. Choke manifold with a remotely operated choke.
  - c. Mud/gas separator

- Protective equipment for essential personnel.

### Breathing apparatus:

- a. Rescue Packs (SCBA) — 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escapes packs — 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
- c. Emergency Escape Packs — 4 packs shall be stored in the doghouse for emergency evacuation.

### Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8 inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher

- H<sub>2</sub>S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.
  - a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
  - b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
  - c. Two wind socks will be placed in strategic locations, visible from all angles.



- Mud program:  
The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.
- Metallurgy:  
All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- Communication:  
Communication will be via cell phones and land lines where available.

#### Company Personnel to be Notified

|                                           |                        |
|-------------------------------------------|------------------------|
| John Harper, Vice President of Geoscience | Office: (720) 746-5045 |
|                                           | Mobile: (678) 988-6644 |
| Braden Harris, Engineer                   | Mobile: (406) 600-3310 |

#### Local & County Agencies

|                                              |                       |
|----------------------------------------------|-----------------------|
| Eunice Fire Department                       | 911 or (575) 394-3258 |
| Lea County Sheriff (Lovington)               | 911 or (575) 396-3611 |
| Lea County Emergency Management (Lovington)  | (575) 396-8602        |
| Lea Regional Medical Center Hospital (Hobbs) | (575) 492-5000        |

#### State Agencies

|                                      |                |
|--------------------------------------|----------------|
| NM State Police (Hobbs)              | (575) 392-5588 |
| NM Oil Conservation (Hobbs)          | (575) 370-3186 |
| NM Oil Conservation (Santa Fe)       | (505) 476-3440 |
| NM Dept. of Transportation (Roswell) | (575) 637-7201 |



Federal Agencies

|                          |                |
|--------------------------|----------------|
| BLM (Carlsbad)           | (575) 234-5972 |
| BLM (Hobbs)              | (575) 393-3612 |
| National Response Center | (800) 424-8802 |
| US EPA Region 6 (Dallas) | (800) 887-6063 |
|                          | (214) 665-6444 |

Veterinarians

|                          |                |
|--------------------------|----------------|
| Eunice Veterinary Clinic | (575) 394-3303 |
|--------------------------|----------------|

Residents within 2 miles

None

Air Evacuation

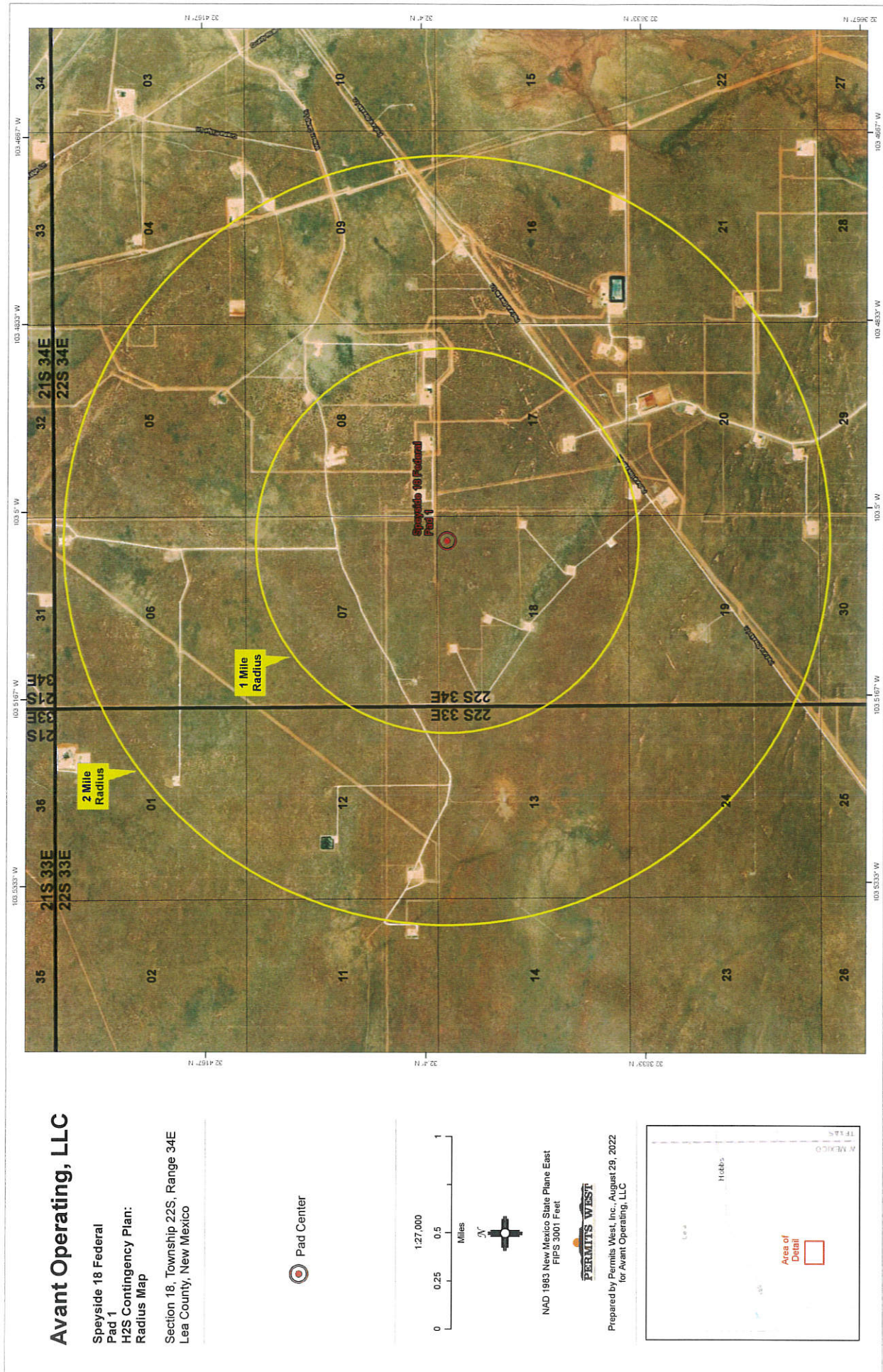
|                                        |                |
|----------------------------------------|----------------|
| AeroCare (Lubbock)                     | (800) 627-2376 |
| Med Flight Air Ambulance (Albuquerque) | (800) 842-4431 |
| Lifeguard (Albuquerque)                | (888) 866-7256 |





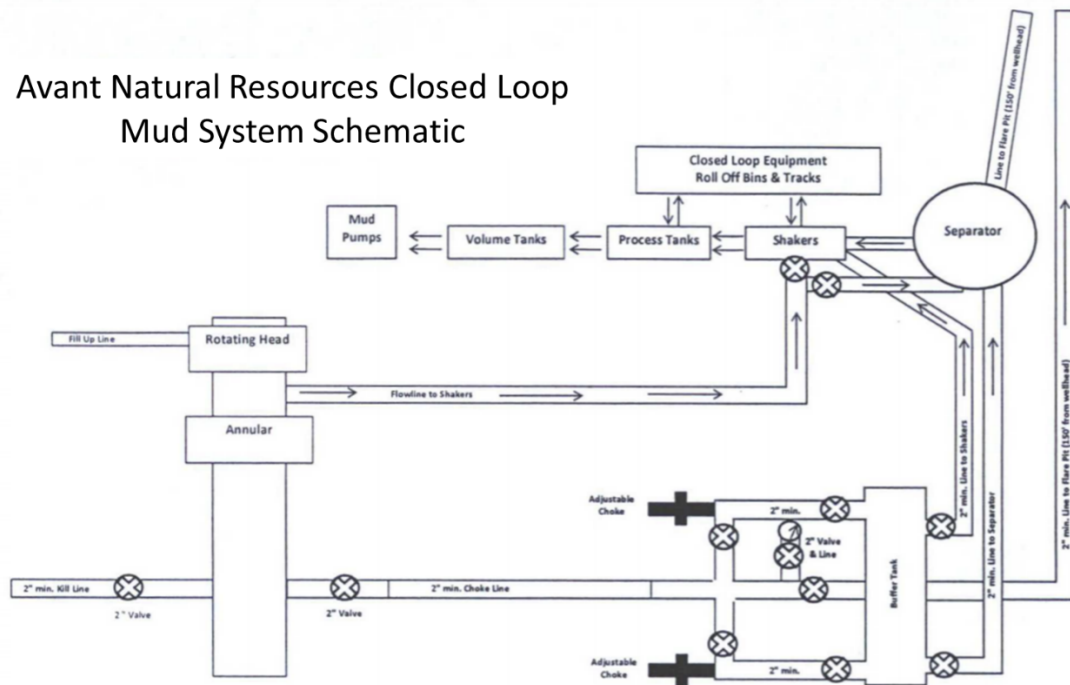








## Avant Natural Resources Closed Loop Mud System Schematic



**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 206792

**CONDITIONS**

|                                                                              |                                                                       |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Operator:<br>Avant Operating, LLC<br>1515 Wynkoop Street<br>Denver, CO 80202 | OGRID:<br>330396                                                      |
|                                                                              | Action Number:<br>206792                                              |
|                                                                              | Action Type:<br>[C-101] BLM - Federal/Indian Land Lease (Form 3160-3) |

**CONDITIONS**

| Created By | Condition                                                                                                                                                                                                                                                            | Condition Date |
|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| pkautz     | Will require a File As Drilled C-102 and a Directional Survey with the C-104                                                                                                                                                                                         | 4/14/2023      |
| pkautz     | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string | 4/14/2023      |
| pkautz     | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system                  | 4/14/2023      |
| pkautz     | Cement is required to circulate on both surface and intermediate1 strings of casing                                                                                                                                                                                  | 4/14/2023      |