Form C-101

Revised July 18, 2013

District 1 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 Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, NM 87505

☐ AMENDED REPORT

Phone: (505) 476-3460		LICATIO			DRILL, RE-EN	TER, DEEP	EN, PLUC	GBAC			
			Operator Name a						۲. (OGRID Numbe 330887	
		Ok	Operating C aillardia Park lahoma City (405) 849	OK 73 -5606	142					⁴ API Number 30-025-36	
* Property Code 331544 Boots BOO				Property Na Boots BOO Sta	ame ate Com				6. W€	ll No. 1	
					7. Surface Loc	cation					
UL - Lot S		ownship I 1 S	Range 35 E	Lot	Idn Feet from 1830		/S Line N		et From 660	E/W Line W	County Lea
				8	Proposed Botton	1 Hole Loca	tion				
UL - Lot S		ownship I 1 S	Range 35 E	Lot	Idn Feet from 1830		/S Line N		ect From 660	E/W Line W	County Lea
					^{9.} Pool Inform	nation					
				W	Pool Name C-025 G-01 S	5113509F	E;SAN A	AND	RES		Pool Code 98381
11. Work Ty	11. Work Type A O				^{13.} Cable/Ro R	otary	1	^{4.} Lease	e Type 15 Ground Level Elcvati		nd Level Elevation 4127'
^{16.} Multipl N	N 17 Proposed Depth S 200'			^{18.} Formati San And				²⁰ Spud Date June 1, 2023			
Depth to Ground water Distance from nearest fres				nearest fresh water w	eli			Distance to n	earest surface v	vater	
35' in L	05000			0.	74 mi NW of L (05000	5000 ≈3900' NE of stock ponds			ck ponds	
∑A closed-loop	system w	ill be use		-	sed Casing and	Coment Pr	ogram				
Туре	Hole Si	7e	Casing Size		nsing Weight/ft		g Depth		Sacks of C	'ement	Estimated TOC
Surface	17.5	i	13.375"		48# ??		432'	\top	440		GL (circ.)
Intermediate	12.25	5"	9.625"	36	5# & 40# ??	GL -	4208'	\top	146		GL (circ.)
Production	8.75	"	5.5#	1	7# L-80 ??	GL -	12959'		291	0	1446' (CBL)
			Casin	g/Cem	ent Program: A	dditional (Comment	S			
GL - 5200': f	resh-wat	er spud	mud. Will set	CIBPS	at 12000' & 5	200' & to	each w	/ 20 '	cmt. Perf Sa	an Andres 4	1910' – 4930'.
			22.	Propo	sed Blowout Pre	evention Pr	ogram				
Type Working Pressure (psi)			g Pressure (psi)	Test Pressure (psi)			anufacturer				
annular	& double	rams			5000		300	00		To be	determined
23. I hereby certify	that the inf	ormation	iven ahove is tru	e and co	omplete to the best						
of my knowledge I further certify	and belief.				1		OIL	CON	ISERVATIO	ON DIVISI	ON
19.15.14.9 (B) N	MAC , if	compued applicab	le. 19.12.14.9	(A) NI	an d/or	Approved B	y:				

Approved Date: 05/17/2023

Conditions of Approval Attached

Expiration Date: 05/17/2025

Title:

E-mail Address: brian@permitswest.com

Phone: 505 466-81 20

Signature:

Printed name: Brian Wood

Title: Consultant

Date: 4-21-23

<u>District I</u>
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<u>District II</u>

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1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36940	² Pool Code	³ Pool Name WILDCAT; SAN ANDRES			
⁴ Property Code 331544	BOOTS BOO STATE CO	M Well Number			
⁷ ogrid no. 330887	OPAL OPERATING COMPA	⁹ Elevation			

¹⁰ Surface Location

ı	UL or lot no.	100000000000000000000000000000000000000	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Count	7
	E	09	11 S	35 E		1830	N	660	W	LEA	
-	" 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	Count	,
		~~									- 1

E 09 11 S 35 E 1830 N 660 W LEA

12 Dedicated Acres 40.00

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.

16			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
1830'			the proposed bottom hole location or has a right to drill this well at this
1000			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
#*******			order heritage emerger by the divisional
# \//	.		4-21-23
† V			Signature Date
660'	•		BRIAN WOOD
			Printed Name
#			 brian@permitswest.com
1			E-mail Address
			505 466-8120
			18SURVEYOR 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.
			Date of Survey
			Signature and Seal of Professional Surveyor:
			Original guryay by
			Original survey by Herschel Jones 3640
			detect 11 4 2004
			dated 11-4-2004
			on file with NMOCD
			Certificate Number
L		THE RESERVE OF THE PERSON OF T	

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 <u>Effective May 25, 2021</u>

I. Operator: OPAL O	PERATING C	OMPANY LLC	OGRID: _33	30887		Date: 04 /	21 / 23
II. Type: ☑ Original [☐ Amendment o	due to □ 19.15.27.	9.D(6)(a) NMA	C □ 19.15.27.9.D((6)(b) NM	AC □ Other.	
If Other, please describe	e:	non-men					
III. Well(s): Provide th	e following info	ormation for each r	new or recomple	eted well or set of	wells prop	osed to be dri	lled or proposed to
be recompleted from a s	single well pad	or connected to a c	entral delivery p	point.			ned of proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticip Gas Mo		Anticipated roduced Water BBL/D
BOOTS BOO STATE COM 1	30-025-36940	E-9-11S-35E	1830 FNL	. 30	5		45
			660 FWL			1000	
V. Anticipated Schedu proposed to be recomple Well Name	le: Provide the seted from a sing	following informat tle well pad or com Spud Date	ion for each nev nected to a centr TD Reached Date	w or recompleted water al delivery point. Completion Commencement		of wells propo Initial Flow Back Date	sed to be drilled or First Production Date
BOOTS BOO STATE COMA	20.005.00040	10105			Dute		Section accordance
BOOTS BOO STATE COM 1	30-025-36940	1-21-05	3-3-05	6-1-23		6-15-23	6-22-23
VI. Separation Equipm VII. Operational Prac Subsection A through F VIII. Best Management during active and planne	tices: ☑ Attach of 19.15.27.8 N	a complete descriumAC. Attach a complet	iption of the ac	tions Operator will	l take to c	comply with the	ne requirements of

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. \Box 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 \square will \square 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 \square does \square 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 aking 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;
- compression on lease; (c)
- (d) liquids removal on lease;
- (e) reinjection for underground storage:
- (f) reinjection for temporary storage:
- (g) reinjection for enhanced oil recovery;
- fuel cell production; and (h)
- other alternative beneficial uses approved by the division. (i)

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:	Gildowel
Printed Name:	BRIAN WOOD
Title:	CONSULTANT
E-mail Address:	brian@permitswest.com
Date:	4-21-23
Phone:	505 466-8120
	OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	
	8.

VI. Separation Equipment

An on-pad separator will be used. Separated gas will then be piped into an existing Targa pipeline on the same pad.

VII. Operational Practices

NMAC 19.15.27.8 (A) Venting & Flaring of Natural Gas

 Opal Operating Company LLC will comply with NMAC 19.15.27.8 – venting and flaring of gas during drilling, completion, or production that constitutes waste as defined in 19.15.2 is banned.

NMAC 19.15.27.8 (B) Venting & Flaring During Drilling

- Opal Operating Company LLC will capture or combust gas if technically feasible during drilling operations using best industry practices.
- 2. A flare stack with a 100% capacity for expected volume will be set on the pad ≥100 feet from the nearest well head and storage tank.
- 3. In an emergency, Opal Operating Company LLC will vent gas in order to avoid substantial impact. Opal Operating Company LLC will report vented or flared gas to the NMOCD.

NMAC 19.15.27.8 (C) Venting & Flaring During Completion or Recompletion

- 1. Facilities will be built and ready from the first day of flowback
- 2. Test separator will be properly separate gas and liquids. Temporary test separator will be used initially to process volumes. In addition, separator will be tied into flowback tanks which will be tied into the gas processing equipment for sale down a pipeline.
- 3. Should the facility not be ready to process gas, or the gas does not meet quality standards, then storage tanks will be set that are tied into gas busters or a temporary flare to manage all gas. This flare would meet the following requirements:
 - a) An appropriately sized flare stack with an automatic igniter
 - b) Opal Operating Company LLC analyzes gas samples twice a week
 - Opal Operating Company LLC flows the gas into a gathering line as soon as the line specifications are met
 - d) Opal Operating Company LLC provides the NMOCD with pipeline specifications and natural gas data.

NMAC 19.15.27.8 (D) Venting & Flaring During Production

Opal Operating Company LLC will not vent or flare natural gas except:

- 1. During an emergency or malfunction
- 2. To unload or clean-up liquid holdup in a well to atmospheric pressure, provided
 - a) Opal Operating Company LLC does not vent after the well achieves a stabilized rate and pressure
 - b) Opal Operating Company LLC will be on-site while unloading liquids by manual purging and take all reasonable actions to achieve a stabilized rate and pressure as soon as possible
 - c) Opal Operating Company LLC will optimize the system to minimize gas venting if the well is equipped with a plunger lift or auto control system
 - d) Best management practices will be used during downhole well maintenance.
- 3. During the first year of production from an exploratory well provided
 - a) Opal Operating Company LLC receives approval from the NMOCD
 - b) Opal Operating Company LLC stays in compliance with NMOCD gas capture requirements
 - c) Opal Operating Company LLC submits an updated C-129 form to the NMOCD
- 4. During the following activities unless prohibited
 - a) Gauging or sampling a storage tank or low-pressure production vessel
 - b) Loading out liquids from a storage tank
 - c) Repair and maintenance
 - d) Normal operation of a gas-activated pneumatic controller or pump
 - e) Normal operation of a storage tank but not including venting from a thief hatch
 - f) Normal operation of dehydration units
 - g) Normal operations of compressors, engines, turbines, valves, flanges, & connectors
 - h) During a bradenhead, packer leakage test, or production test lasting <24 hours
 - i) When natural gas does not meet the gathering line specifications
 - j) Commissioning of pipes, equipment, or facilities only for as long as necessary to purge introduced impurities.

NMAC 19.15.27.8 (E) Performance Standards

- 1. Opal Operating Company LLC will use a safety factor to design the separation and storage equipment. The equipment will be routed to a vapor recovery system and use a flare as back up for startup, shutdown, maintenance, or malfunction of the VRU system.
- 2. Opal Operating Company LLC will install a flare that will handle the full volume of vapors from the facility in case of VRU failure. It will have an auto-ignition system.
- 3. Flare stacks will be appropriately sized and designed to ensure proper combustion efficiency
 - a) Flare stacks installed or replaced will be equipped with an automatic ignitor or continuous pilot.

- b) Previously installed flare stacks will be retrofitted within 18 months of May 25, 2021, with an automatic ignitor, continuous pilot, or technology that alerts Opal Operating Company LLC to flare malfunction.
- c) Flare stacks replaced after May 25, 2021, will be equipped with an automatic ignitor or continuous pilot if at a well or facility with an average production of ≤60 Mcfd of natural gas.
- d) Flare stacks will be located >100 feet from well head and tanks and securely anchored.
- 4. Opal Operating Company LLC will conduct an AVO inspection on all components for leaks and defects every week.
- 5. Opal Operating Company LLC will make and keep records of AVO inspections available to the NMOCD for at least 5 years.
- 6. Opal Operating Company LLC may use a remote or automated monitoring technology to detect leaks and releases in lieu of AVO inspections with prior NMOCD approval.
- 7. Facilities will be designed to minimize waste.
- 8. Opal Operating Company LLC will resolve emergencies as promptly as possible.

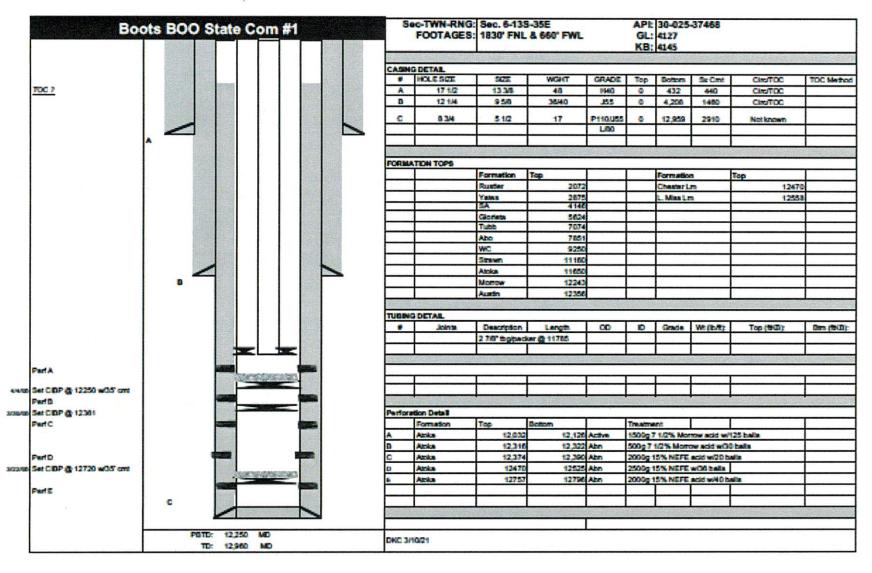
NMAC 19.15.27.8 (F) Measuring or Estimating Vented & Flared Natural Gas

- 1. Opal Operating Company LLC will have meters on both the low and high-pressure sides of the flares. Volumes will be recorded in the SCADA system.
- 2. Opal Operating Company LLC will install equipment to measure the volume of flared natural gas that has an average production of >60 Mcfd.
- 3. Opal Operating Company LLC's measuring equipment will conform to industry standards.
- 4. Measurement system will be designed such that it cannot be bypassed except for inspections and servicing the meters.
- Opal Operating Company LLC will estimate the volume of vented or flared gas using a methodology that can be independently verified if metering is not practicable due to low flow rate or pressure.
- 6. Opal Operating Company LLC will estimate the volume of vented and flared gas based on the results of an annual GOR test for wells that do not require measuring equipment reported on form C-116.
- 7. Opal Operating Company LLC will install measuring equipment whenever the NMOCD determines that metering is necessary.

VIII. Best Management Practices

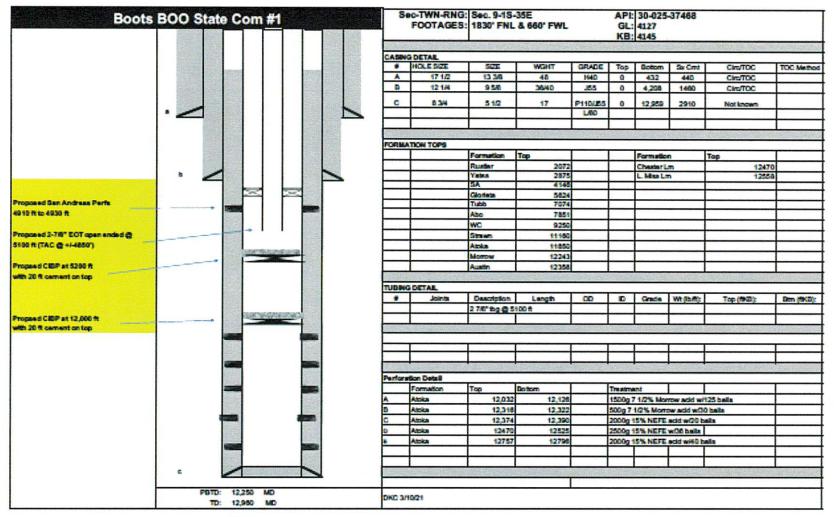
Opal Operating Company LLC will minimize venting during maintenance by:

- 1. System will be designed and operated to route storage tank and process equipment emissions to the VRU. If the VRU is not operable, then vapors will be routed to the flare.
- 2. Scheduling maintenance for multiple tasks to minimize the need for blowdowns.
- 3. After completion of maintenance, gas will be flared until it meets pipeline specifications.



Received by OCD: 4/28/2023 10:38:14 AM





Opal Operating Company LLC Boots Boo State Com 001

Formation	Тор
Rustler	2072
Yates	2875
San Andres	4146
Proposed San Andres perfs	4910' – 4930'
Glorieta	5624
Tubb	7074
Abo	7851
WC	9250
Strawn	11160
Atoka	11650
Morrow	12243
PBTD	12250
Austin	12356
TD	12960

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

CONDITIONS

Action 211722

CONDITIONS

Operator:	OGRID:
Opal Operating Company LLC	330887
4811 Gaillardia Parkway	Action Number:
Oklahoma City, OK 73142	211722
	Action Type:
	[C-101] Drilling Non-Federal/Indian (APD)

CONDITIONS

Cre By	ated	Condition	Condition Date
pk	autz	MUST ADEQUATLY PLUG BACK LOWER PRODUCING INTERVAL PRIOR TO PERFORARTING THE SAN ANDRES	5/17/2023