

Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-32298
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STATE D
8. Well Number 003
9. OGRID Number 330132
10. Pool name or Wildcat VACUUM; DRINKARD
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3986

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [X] Gas Well [] Other []
2. Name of Operator MORNINGSTAR OPERATING LLC
3. Address of Operator 400 W 7TH ST, FORT WORTH, TX 76102
4. Well Location Unit Letter M : 330 feet from the S line and 695 feet from the W line
Section 31 Township 17S Range 35e NMPM County LEA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3986

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE []
CLOSED-LOOP SYSTEM []
OTHER: SIDETRACK, RECOMPL []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER: []

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MorningStar Operating LLC requests approval to drill a sidetrack off the State D 3 and recomplete to the Grayburg-San Andres. The well will then be renamed to Central Vacuum Unit #288H. Attached is the Planned Procedure, Proposed WBD, Proposed Drill Plan, C-102, and NGMP.

Spud Date: []

Rig Release Date: []

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Connie Blaylock TITLE Regulatory Analyst DATE 10/9/2023
Type or print name Connie Blaylock E-mail address: cblaylock@txoenergy.com PHONE: 817-334-7882
For State Use Only

APPROVED BY: P Kautz TITLE DATE 10/19/2023
Conditions of Approval (if any)

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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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

DISTRICT IV
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, New Mexico 87505

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

AMENDED REPORT

Sidetrack and Recomplete to
Vac; GBSA

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32298	Pool Code 62180	Pool Name VACUUM; GRAYBURG-SAN ANDRES
Property Code 331884	Property Names STATE D	
OGRID No. 330132	Operator Name MORNINGSTAR OPERATING LLC	
		Well Number 3
		Elevation 3986'

Surface Location

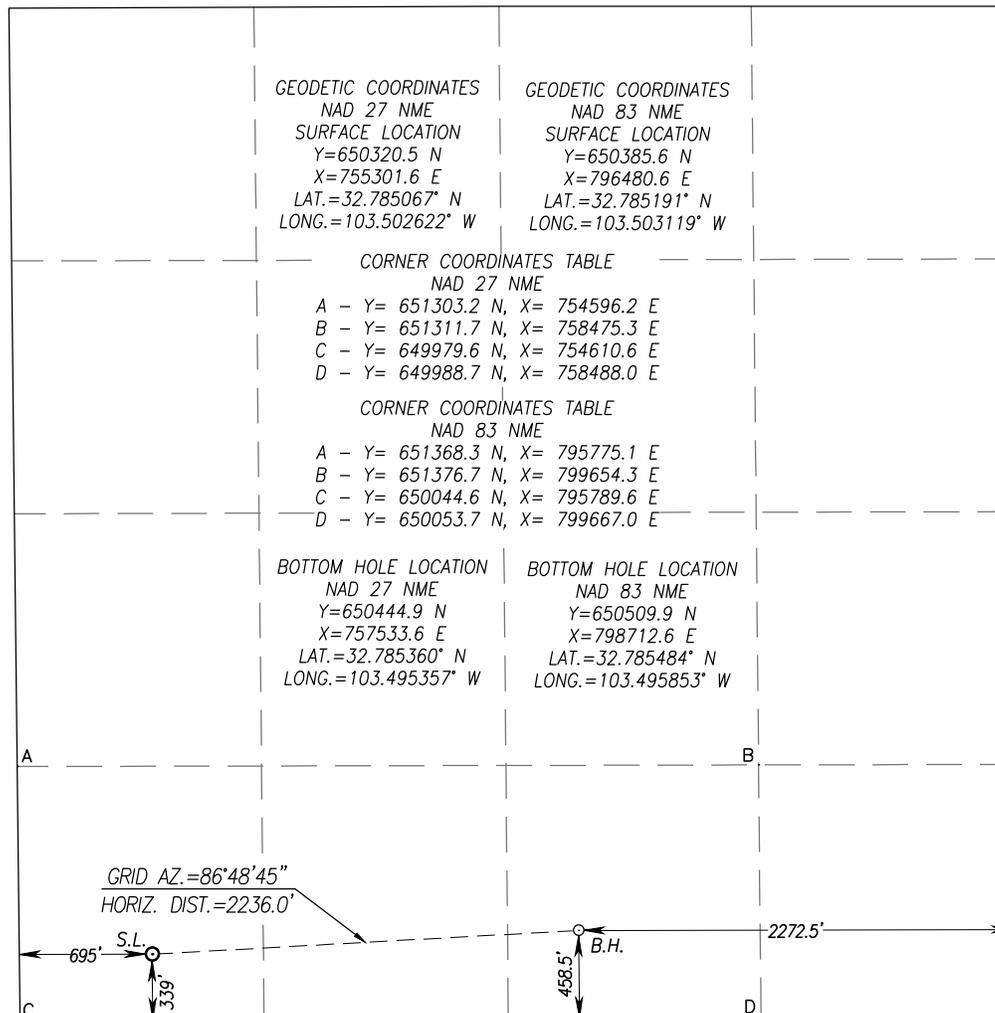
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	31	17-S	35-E		339	SOUTH	695	WEST	LEA

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	County
O	31	17-S	35-E		458.5	SOUTH	2272.5	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Connie Blaylock 0/09/2023
Signature Date

CONNIE BLAYLOCK

Printed Name

cblayock@txopartners.com

E-mail Address

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.

Date of Survey 12641
Signature Seal of Professional Surveyor

Gary G. Eidson 04/28/2023

Certificate Number Gary G. Eidson 12641
Ronald J. Eidson 3239

ACK JWSC W.O.: 23.11.0121



TXO ENERGY PARTNERS

**LEA CO., NM (NAD-27 / NME)
CENTRAL VACUUM UNIT
288H**

ST01

Plan: PLAN #1

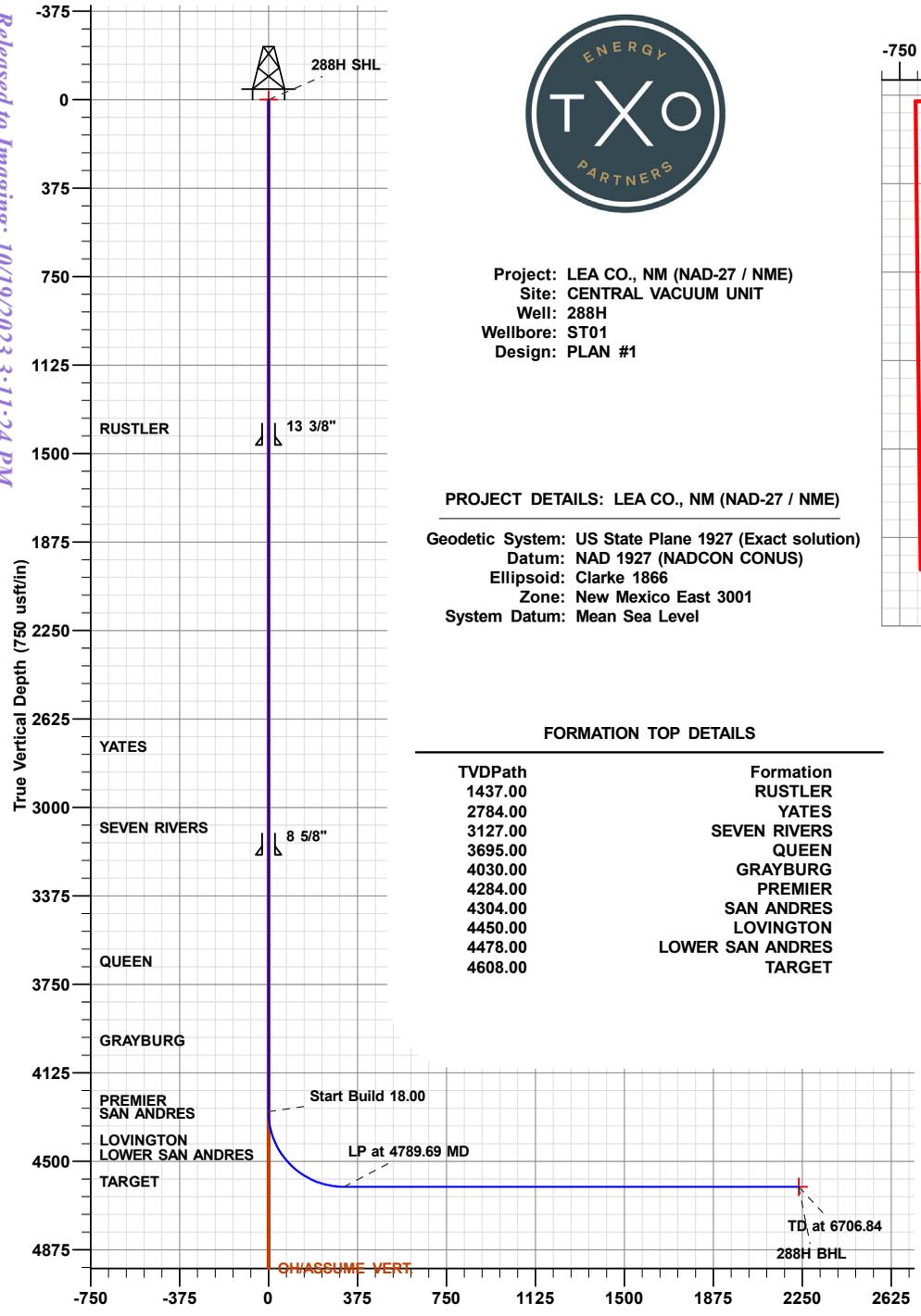
Standard Planning Report

08 October, 2023

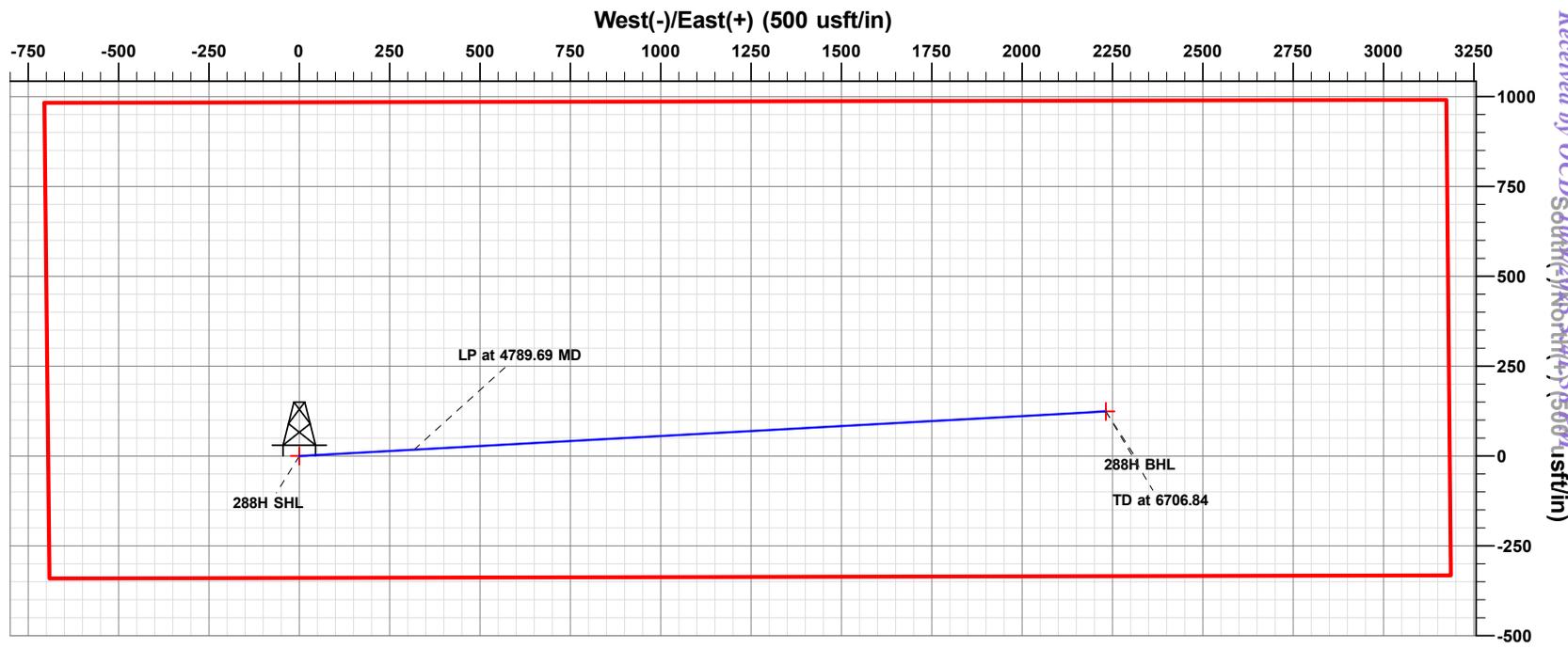


Project: LEA CO., NM (NAD-27 / NME)
 Site: CENTRAL VACUUM UNIT
 Well: 288H
 Wellbore: ST01
 Design: PLAN #1

PROJECT DETAILS: LEA CO., NM (NAD-27 / NME)
 Geodetic System: US State Plane 1927 (Exact solution)
 Datum: NAD 1927 (NADCON CONUS)
 Ellipsoid: Clarke 1866
 Zone: New Mexico East 3001
 System Datum: Mean Sea Level



Vertical Section at 86.81° (750 usft/in)



FORMATION TOP DETAILS

TVDPath	Formation
1437.00	RUSTLER
2784.00	YATES
3127.00	SEVEN RIVERS
3695.00	QUEEN
4030.00	GRAYBURG
4284.00	PREMIER
4304.00	SAN ANDRES
4450.00	LOVINGTON
4478.00	LOWER SAN ANDRES
4608.00	TARGET

WELL DETAILS: 288H

Rig Name: TBD
 RKB = 13' @ 4001.00usft (TBD)
 Ground Level: 3988.00

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	650320.50	755301.60	32.7850668	-103.5026220

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000	0.00	
2	4289.69	0.00	0.00	4289.69	0.00	0.00	0.00	0.000	0.00	
3	4789.69	90.00	86.81	4608.00	17.71	317.82	18.00	86.810	318.31	
4	6706.84	90.00	86.81	4608.00	124.40	2232.00	0.00	0.000	2235.46	288H BHL

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
288H SHL	0.00	0.00	0.00	650320.50	755301.60	32.7850668	-103.5026220
288H BHL	4608.00	124.40	2232.00	650444.90	757533.60	32.7853604	-103.4953569

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Planning Report

Database:	EDM 5000.1.13 Single User Db	Local Co-ordinate Reference:	Well 288H
Company:	TXO ENERGY PARTNERS	TVD Reference:	RKB = 13' @ 4001.00usft (TBD)
Project:	LEA CO., NM (NAD-27 / NME)	MD Reference:	RKB = 13' @ 4001.00usft (TBD)
Site:	CENTRAL VACUUM UNIT	North Reference:	Grid
Well:	288H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	PLAN #1		

Project	LEA CO., NM (NAD-27 / NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	CENTRAL VACUUM UNIT				
Site Position:		Northing:	653,042.20 usft	Latitude:	32.7925706
From:	Map	Easting:	754,218.70 usft	Longitude:	-103.5060760
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.448 °

Well	288H					
Well Position	+N/-S	-2,721.70 usft	Northing:	650,320.50 usft	Latitude:	32.7850668
	+E/-W	1,082.90 usft	Easting:	755,301.60 usft	Longitude:	-103.5026220
Position Uncertainty		0.00 usft	Wellhead Elevation:	0.00 usft	Ground Level:	3,988.00 usft

Design	PLAN #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(usft)	(usft)	(usft)	(°)
	0.00	0.00	0.00	86.81

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000	
4,289.69	0.00	0.00	4,289.69	0.00	0.00	0.00	0.00	0.00	0.000	
4,789.69	90.00	86.81	4,608.00	17.71	317.82	18.00	18.00	0.00	86.810	
6,706.84	90.00	86.81	4,608.00	124.40	2,232.00	0.00	0.00	0.00	0.000	288H BHL



Planning Report

Database:	EDM 5000.1.13 Single User Db	Local Co-ordinate Reference:	Well 288H
Company:	TXO ENERGY PARTNERS	TVD Reference:	RKB = 13' @ 4001.00usft (TBD)
Project:	LEA CO., NM (NAD-27 / NME)	MD Reference:	RKB = 13' @ 4001.00usft (TBD)
Site:	CENTRAL VACUUM UNIT	North Reference:	Grid
Well:	288H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	PLAN #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
288H SHL									
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,437.00	0.00	0.00	1,437.00	0.00	0.00	0.00	0.00	0.00	0.00
RUSTLER									
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,784.00	0.00	0.00	2,784.00	0.00	0.00	0.00	0.00	0.00	0.00
YATES									
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,127.00	0.00	0.00	3,127.00	0.00	0.00	0.00	0.00	0.00	0.00
SEVEN RIVERS									
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,695.00	0.00	0.00	3,695.00	0.00	0.00	0.00	0.00	0.00	0.00
QUEEN									
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,030.00	0.00	0.00	4,030.00	0.00	0.00	0.00	0.00	0.00	0.00
GRAYBURG									
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00



Planning Report

Database:	EDM 5000.1.13 Single User Db	Local Co-ordinate Reference:	Well 288H
Company:	TXO ENERGY PARTNERS	TVD Reference:	RKB = 13' @ 4001.00usft (TBD)
Project:	LEA CO., NM (NAD-27 / NME)	MD Reference:	RKB = 13' @ 4001.00usft (TBD)
Site:	CENTRAL VACUUM UNIT	North Reference:	Grid
Well:	288H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	PLAN #1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
4,284.00	0.00	0.00	4,284.00	0.00	0.00	0.00	0.00	0.00	0.00	
PREMIER										
4,289.69	0.00	0.00	4,289.69	0.00	0.00	0.00	0.00	0.00	0.00	
4,300.00	1.86	86.81	4,300.00	0.01	0.17	0.17	18.00	18.00	0.00	
4,304.00	2.58	86.81	4,304.00	0.02	0.32	0.32	18.00	18.00	0.00	
SAN ANDRES										
4,325.00	6.36	86.81	4,324.93	0.11	1.95	1.96	18.00	18.00	0.00	
4,350.00	10.86	86.81	4,349.64	0.32	5.69	5.70	18.00	18.00	0.00	
4,375.00	15.36	86.81	4,373.98	0.63	11.35	11.36	18.00	18.00	0.00	
4,400.00	19.86	86.81	4,397.81	1.05	18.89	18.92	18.00	18.00	0.00	
4,425.00	24.36	86.81	4,420.96	1.58	28.28	28.33	18.00	18.00	0.00	
4,450.00	28.86	86.81	4,443.31	2.20	39.46	39.52	18.00	18.00	0.00	
4,457.69	30.24	86.81	4,450.00	2.41	43.25	43.32	18.00	18.00	0.00	
LOVINGTON										
4,475.00	33.36	86.81	4,464.71	2.92	52.35	52.43	18.00	18.00	0.00	
4,491.19	36.27	86.81	4,478.00	3.43	61.58	61.68	18.00	18.00	0.00	
LOWER SAN ANDRES										
4,500.00	37.86	86.81	4,485.03	3.73	66.88	66.99	18.00	18.00	0.00	
4,525.00	42.36	86.81	4,504.15	4.62	82.96	83.09	18.00	18.00	0.00	
4,550.00	46.86	86.81	4,521.94	5.60	100.48	100.64	18.00	18.00	0.00	
4,575.00	51.36	86.81	4,538.30	6.65	119.35	119.53	18.00	18.00	0.00	
4,600.00	55.86	86.81	4,553.13	7.77	139.43	139.65	18.00	18.00	0.00	
4,625.00	60.36	86.81	4,566.34	8.95	160.62	160.87	18.00	18.00	0.00	
4,650.00	64.86	86.81	4,577.84	10.19	182.78	183.06	18.00	18.00	0.00	
4,675.00	69.36	86.81	4,587.56	11.47	205.77	206.09	18.00	18.00	0.00	
4,700.00	73.86	86.81	4,595.45	12.79	229.45	229.80	18.00	18.00	0.00	
4,725.00	78.36	86.81	4,601.45	14.14	253.67	254.06	18.00	18.00	0.00	
4,750.00	82.86	86.81	4,605.53	15.51	278.29	278.72	18.00	18.00	0.00	
4,775.00	87.36	86.81	4,607.66	16.90	303.15	303.62	18.00	18.00	0.00	
4,789.69	90.00	86.81	4,608.00	17.71	317.82	318.31	18.00	18.00	0.00	
TARGET										
4,800.00	90.00	86.81	4,608.00	18.29	328.11	328.62	0.00	0.00	0.00	
4,900.00	90.00	86.81	4,608.00	23.85	427.96	428.62	0.00	0.00	0.00	
5,000.00	90.00	86.81	4,608.00	29.42	527.80	528.62	0.00	0.00	0.00	
5,100.00	90.00	86.81	4,608.00	34.98	627.65	628.62	0.00	0.00	0.00	
5,200.00	90.00	86.81	4,608.00	40.55	727.49	728.62	0.00	0.00	0.00	
5,300.00	90.00	86.81	4,608.00	46.11	827.34	828.62	0.00	0.00	0.00	
5,400.00	90.00	86.81	4,608.00	51.68	927.18	928.62	0.00	0.00	0.00	
5,500.00	90.00	86.81	4,608.00	57.24	1,027.03	1,028.62	0.00	0.00	0.00	
5,600.00	90.00	86.81	4,608.00	62.81	1,126.87	1,128.62	0.00	0.00	0.00	
5,700.00	90.00	86.81	4,608.00	68.37	1,226.72	1,228.62	0.00	0.00	0.00	
5,800.00	90.00	86.81	4,608.00	73.94	1,326.56	1,328.62	0.00	0.00	0.00	
5,900.00	90.00	86.81	4,608.00	79.50	1,426.41	1,428.62	0.00	0.00	0.00	
6,000.00	90.00	86.81	4,608.00	85.07	1,526.25	1,528.62	0.00	0.00	0.00	
6,100.00	90.00	86.81	4,608.00	90.63	1,626.10	1,628.62	0.00	0.00	0.00	
6,200.00	90.00	86.81	4,608.00	96.19	1,725.94	1,728.62	0.00	0.00	0.00	
6,300.00	90.00	86.81	4,608.00	101.76	1,825.79	1,828.62	0.00	0.00	0.00	
6,400.00	90.00	86.81	4,608.00	107.32	1,925.63	1,928.62	0.00	0.00	0.00	
6,500.00	90.00	86.81	4,608.00	112.89	2,025.48	2,028.62	0.00	0.00	0.00	
6,600.00	90.00	86.81	4,608.00	118.45	2,125.32	2,128.62	0.00	0.00	0.00	
6,706.84	90.00	86.81	4,608.00	124.40	2,232.00	2,235.46	0.00	0.00	0.00	
288H BHL										



Planning Report

Database:	EDM 5000.1.13 Single User Db	Local Co-ordinate Reference:	Well 288H
Company:	TXO ENERGY PARTNERS	TVD Reference:	RKB = 13' @ 4001.00usft (TBD)
Project:	LEA CO., NM (NAD-27 / NME)	MD Reference:	RKB = 13' @ 4001.00usft (TBD)
Site:	CENTRAL VACUUM UNIT	North Reference:	Grid
Well:	288H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ST01		
Design:	PLAN #1		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
288H SHL - plan hits target center - Point	0.00	0.00	0.00	0.00	0.00	650,320.50	755,301.60	32.7850668	-103.5026220
288H BHL - plan hits target center - Point	0.00	0.00	4,608.00	124.40	2,232.00	650,444.90	757,533.60	32.7853604	-103.4953569

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,437.00	1,437.00	RUSTLER			
2,784.00	2,784.00	YATES			
3,127.00	3,127.00	SEVEN RIVERS			
3,695.00	3,695.00	QUEEN			
4,030.00	4,030.00	GRAYBURG			
4,284.00	4,284.00	PREMIER			
4,304.00	4,304.00	SAN ANDRES			
4,457.69	4,450.00	LOVINGTON			
4,491.19	4,478.00	LOWER SAN ANDRES			
4,789.69	4,608.00	TARGET			

Central Vacuum Unit 288H (formerly State D 3) sidetrack procedure

MSO requests approval to perform the following Sidetrack Procedure:

1. Prepare existing well for drilling operations with a Pulling Unit.
2. Pull tubing and rods.
 - a. RU BOP and test.
2. PU Mill and TIH to verify casing is clean.
3. Set Bridge Plug at approximately 4,293'.
4. Roll hole and pressure test casing.
5. Perform whipstock simulation run.
6. PU whipstock and casing mill assembly and set whipstock for casing exit at 4,289' MD.
7. Release whip and mill window f/ 4,289' – 4,297'.
8. TOH. Secure well and move workover rig out.
9. MIRU drilling rig.
10. Pick up curve BHA and drill sidetrack.
11. Planned exit at 4,297' MD / 4,297' TVD (directional pilot well).
12. Drill 4 3/4" curve and lateral from 4,297' MD / 4,297' TVD to 6,706' MD / 4,608' TVD at 90.0° Inc, 86.81° azimuth.
13. TOH and secure well. Move drilling rig out.
14. MIRU Pulling Unit.
15. Clean out run to TD.
16. Spot roughly 10,000 gallons of acid.
17. Set packer and bullhead roughly 45,000 gallons of acid with salt diversion.
18. Cleanout to TD again.
19. Run production equipment and turn well over to production.
20. Secure well, rig down and move off location.

MorningStar Operating LLC

Central Vacuum Unit 288H

Lea, NM

Sidetrack Proposal - Draft

Proposed: J Marschall 10/08/2023

KB = 13'
GL = 3,985'
API# 30-025-32298
Spud Date: 11/23/1993

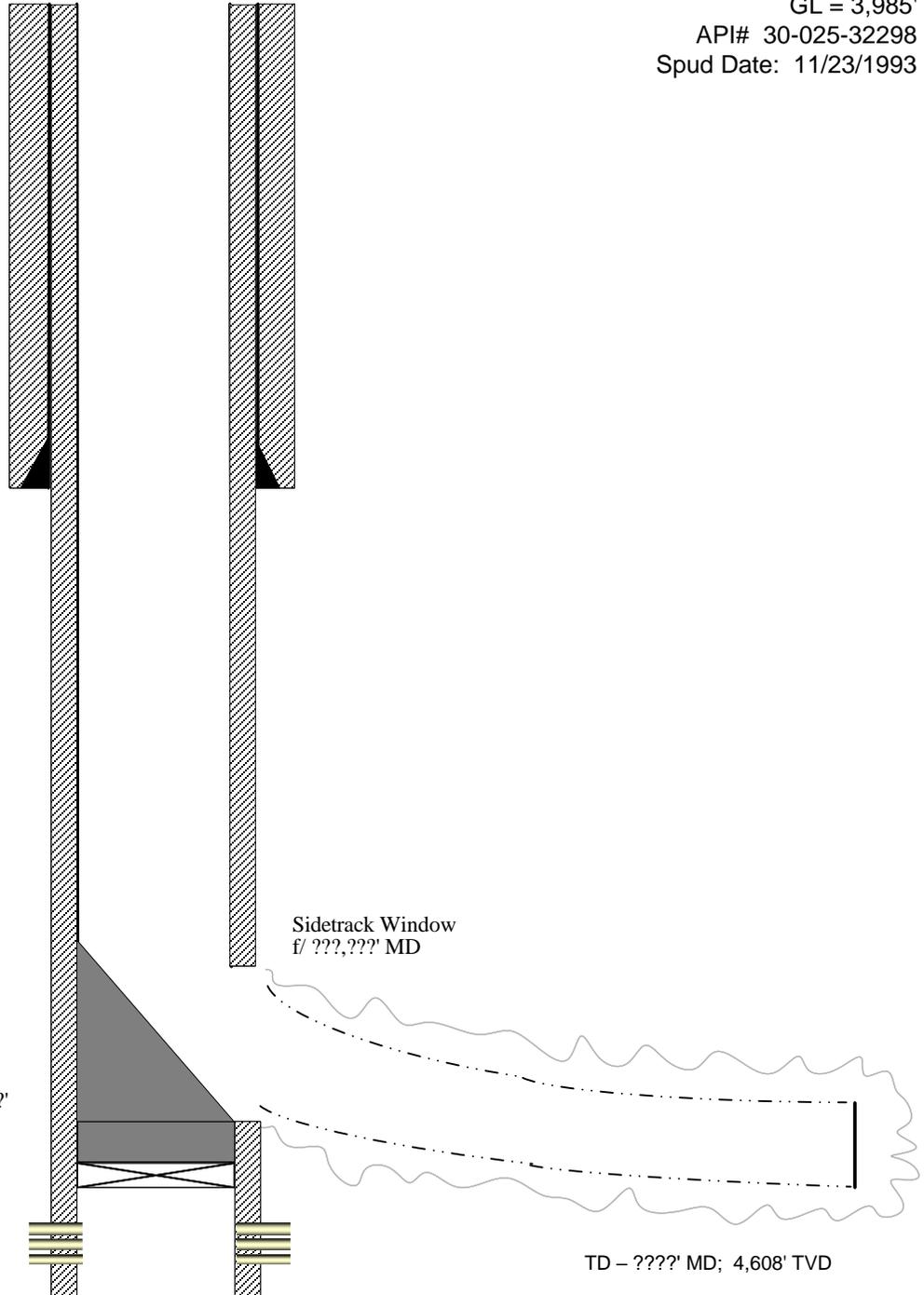
Original TD – 8,049,' MD; 8,049,' TVD

17 1/2" hole to 1,463'
Set 13 3/8" 48# to 1,463'
Cmt 1,255 sx, circ to surf

11" hole to 3,200'
Set 8 5/8" 24/32# to 3,200'
Cmt 1015 sx, circ to surf

7 7/8" hole to 8,049'
Set 5 1/2" 15.5# to 8,049'
Cmt 1st stage: 730 sx
DV tool @ 4,294' (San Andres)
2nd stage: 280 sx
Est TOC 2,835'

Planned Sidetrack
4 3/4" hole to ????' MD, 4,608' TVD
In San Andres Dolomite



Perforated Interval:

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: MORNINGSTAR OPERATING LLC **OGRID:** 330132 **Date:** 10/9/2023

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
STATE D #003	30-025-32298	M-31-17S-35E	339 FSL			
			695 FWL	150	1500	800

IV. Central Delivery Point Name: CENTRAL VACUUM UNIT BATTERY [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
STATE D #003	30-025-32298	11/15/2023	11/30/2023	12/04/2023	12/18/2023	12/18/2023

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.

XOperator 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:

XOperator 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:	<i>Connie Blaylock</i>
Printed Name:	CONNIE BLAYLOCK
Title:	REGULATORY ANALYST
E-mail Address:	cblaylock@txopartners.com
Date:	10/09/2023
Phone:	817-334-7882
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

MorningStar Operating LLC

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

Each well will full stream produce to a satellite location. At each satellite, bulk and test measurements for unit allocation are performed. Liquids are then sent on to the battery for lact sales. All vessels are sized based on historical well performance, and historical volumes were generally higher than what we now process and produce.

Satellite (gas venting is minimal to none in this satellite bulk and test transport to central battery). Test – 2 phase test vessel and Coriolis measurement on liquid and gas phases. Bulk – 2 phase vessel for gas separation from liquids. All gas from the satellite is sent to the plant for processing and reinjection into the unit. All liquids from the satellite are sent to the Central Vacuum Unit Battery.

Central Vacuum Unit Battery (all gas and vapors are collected and compressed to the plant to minimize any venting). Gas scrubber and FWKO are utilized to remove any excess gas. This gas is gathered by our GRU compression to be sent to the gas plant for processing and reinjection into the unit. Water is moved from holding tanks to suction tanks to be reinjected into the unit. In the event of an emergency, gas can be routed to a flare on location.

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

- **Drilling Operations:** Any natural gas produced during drilling operations will be combusted with a flare line. A properly sized flare stack will be located a minimum of 100 feet from the nearest surface hole location. If flaring isn't possible or poses a risk, Operator will vent natural gas to avoid any safety or environmental risks and report natural gas.
- **Completion Operations:** Hydrocarbon production will be minimized during completion and flowback operations. No flowback will occur until the well is connected to a properly sized system. When feasible, natural gas will be flared rather than vented. When sustained producible volumes are obtained, operations will turn to separation facilities and gathering pipeline.
- **Production Operations:** Efforts will be made to minimize waste. Process equipment (separator and tanks) is designed for efficient separation and routing produced gas to the sales pipeline. Flaring rather than venting will be the preferred method to handle emergencies and malfunctions. Equipment will be properly maintained with routine inspections and preventative maintenance. Weekly AVOs will be performed at facilities.

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

- Best management practices are used to minimize venting and flaring during downhole operations.

- Flaring will be used in lieu of venting when feasible.
- Adequate well control during completion operations will be employed to minimize oil and gas production.
- Tanks and vessels are isolated from their respective facilities prior to inspection, maintenance, and repairs.
- The preventive maintenance program includes weekly AVO inspections, identification of failures or malfunctions, and repairs as needed.
- Coordinate with third-party gathering and sales operators to minimize downtime and the need for venting/flaring during downstream pipeline and gas plant events.

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 273827

CONDITIONS

Operator: MorningStar Operating LLC 400 W 7th St Fort Worth, TX 76102	OGRID: 330132
	Action Number: 273827
	Action Type: [C-103] NOI Recompletion (C-103E)

CONDITIONS

Created By	Condition	Condition Date
pkautz	None	10/19/2023