State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhDDeputy Cabinet Secretary

Adrienne E. Sandoval, Director Oil Conservation Division



Mr. Brian Wood brian@permitswest.com

NON-STANDARD LOCATION

Administrative Order NSL-8348

Avant Operating, LLC [330396] Golden Tee 31 Federal Com Well No. 505H API No. 30-025-49331

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	400 FNL & 1415 FEL	В	31	22S	35E	Lea
First Take Point	100 FNL & 2514 FEL	В	31	22S	35E	Lea
Last Take Point/	2540 FNL & 1548 FEL	G	06	23S	35E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 E/2 of Section 31	240.15	Antelope Ridge; B.S., North	2205
T22S R35E		-	
W/2 NE/4 of Section 6			
T23S R35E			

Reference is made to your application received on April 11th, 2022.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 95 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 31, T22S R35E, encroachment to the E/2 E/2 Section 06, T23S R35E, encroachment to the E/2 NE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location order to recover additional reserves and prevent waste within the Bone Spring formation underlying the W/2 E/2 of Section 31, T22S R35E and the W/2 NE/4 of Section 06, R23S R35E.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102, submitted with the Authorization to Transport (C-104), to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Date: 5/19/2022



AES/lrl