

District I

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

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101
August 1, 2011

Permit 312033

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

1. Operator Name and Address ADVANCE ENERGY PARTNERS HAT MESA, LLC 11490 Westheimer Rd., Ste 950 Houston, TX 77077		2. OGRID Number 372417
		3. API Number 30-025-49940
4. Property Code 319601	5. Property Name DAGGER STATE COM	6. Well No. 304H

7. Surface Location

UL - Lot F	Section 30	Township 21S	Range 33E	Lot Idn F	Feet From 2560	N/S Line N	Feet From 1950	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot C	Section 19	Township 21S	Range 33E	Lot Idn C	Feet From 100	N/S Line N	Feet From 2090	E/W Line W	County Lea
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9. Pool Information

WC-025 G-07 S213330F:BONE SPRING	97927
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3820
16. Multiple N	17. Proposed Depth 18140	18. Formation Bone Spring	19. Contractor	20. Spud Date 4/30/2022
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1536	525	0
Int1	12.25	10.75	40.5	3707	385	0
Int2	9.875	7.625	39.7	5456	725	0
Prod	6.75	5.5	20	18140	1280	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	TBD

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.	OIL CONSERVATION DIVISION	
Signature:		
Printed Name: Electronically filed by Eileen M Kosakowski	Approved By: Paul F Kautz	
Title:	Title: Geologist	
Email Address: ekosakowski@advanceenergypartners.com	Approved Date: 3/29/2022	Expiration Date: 3/29/2024
Date: 3/25/2022	Phone: 832-672-4604	Conditions of Approval Attached

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Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102

Revised August 4, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-49940	Pool Code 97927	Pool Name WC-025 G-07 S213330F; BONE SPRING
Property Code 319601	Property Name DAGGER STATE COM	Well Number 304H
OGRID No. 372417	Operator Name ADVANCE ENERGY PARTNERS HAT MESA	Elevation 3820'

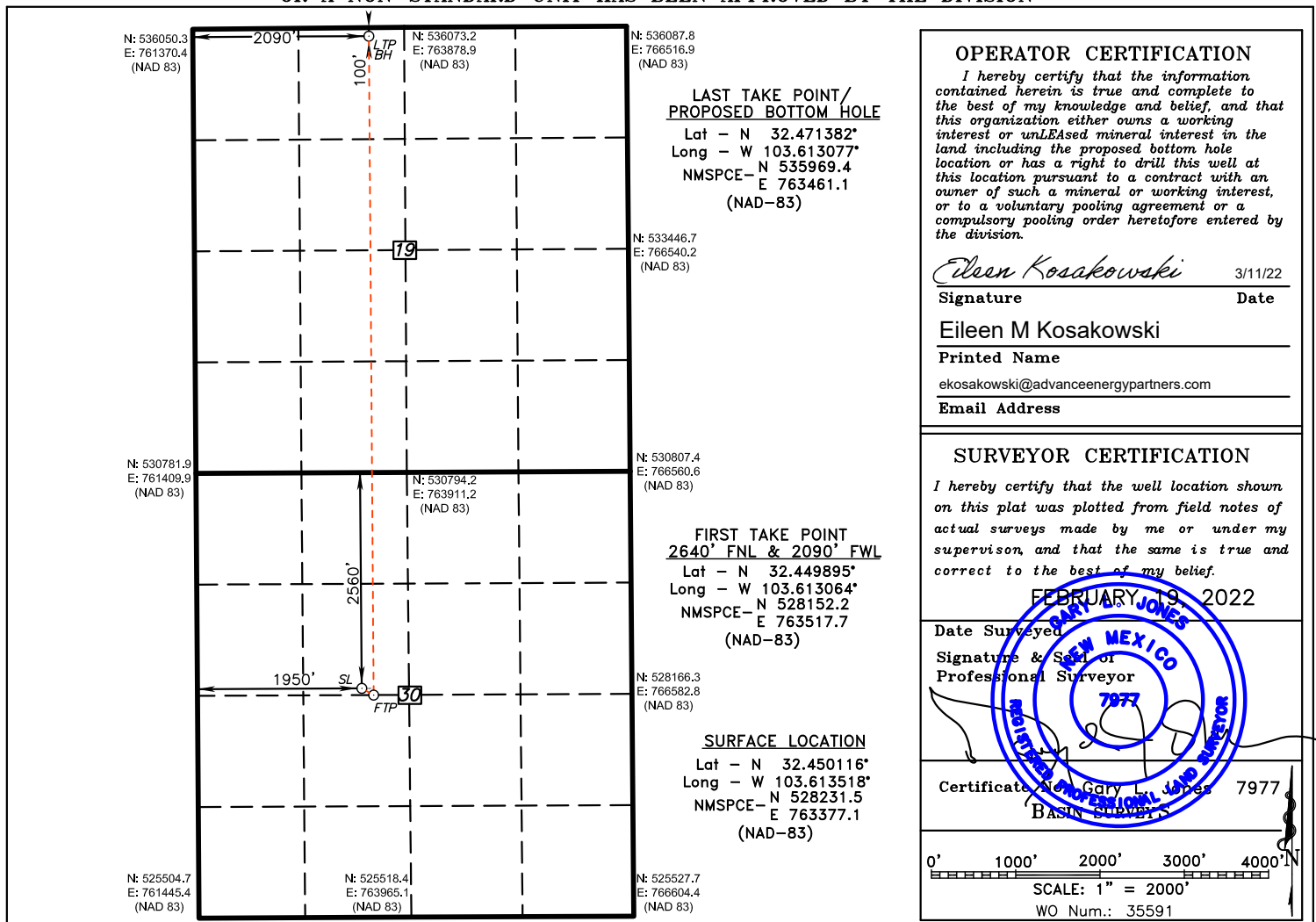
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
F	30	21 S	33 E		2560	NORTH	1950	WEST	LEA

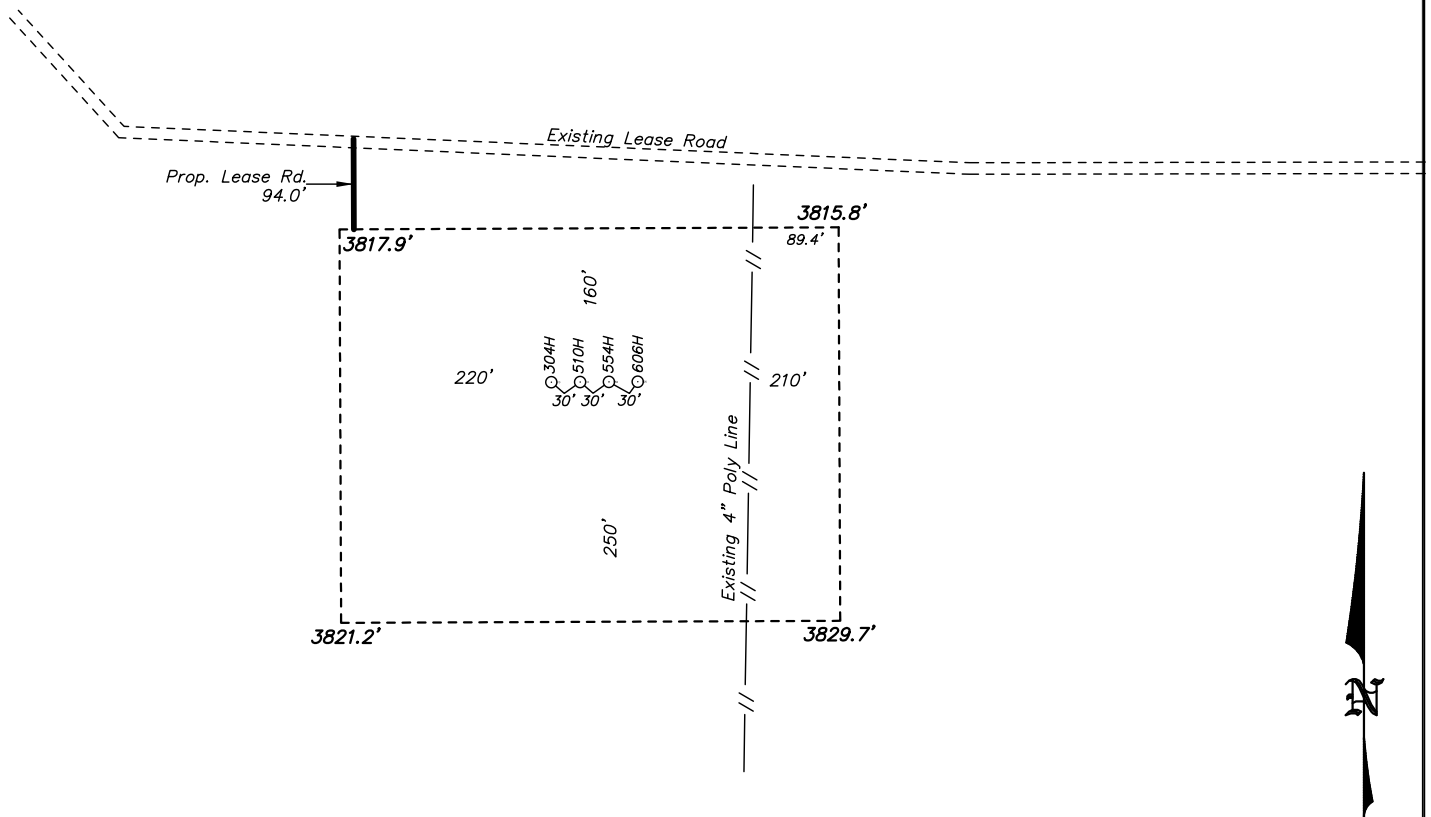
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
C	19	21 S	33 E		100	NORTH	2090	WEST	LEA
Dedicated Acres 240	Joint or Infill	Consolidation Code C	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**



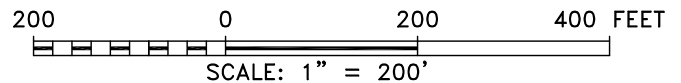
**SECTION 30, TOWNSHIP 21 SOUTH, RANGE 33 EAST. N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



**ADVANCE ENERGY PARTNERS HAT MESA
DAGGER STATE COM #304H
ELEV. - 3820'**

Lat - N 32.450116°
Long - W 103.613518°
NMSPEC - N 528231.5
E 763377.1
(NAD-83)

EUNICE, NM IS ±26 MILES TO THE EAST OF LOCATION.



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P.O. Box 1786 (575) 393-7316 - Office
1120 N. West County Rd. (575) 392-2206 - Fax
Hobbs, New Mexico 88241 basin-surveys.com

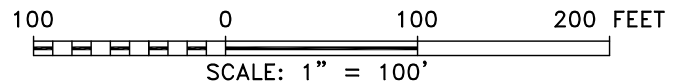
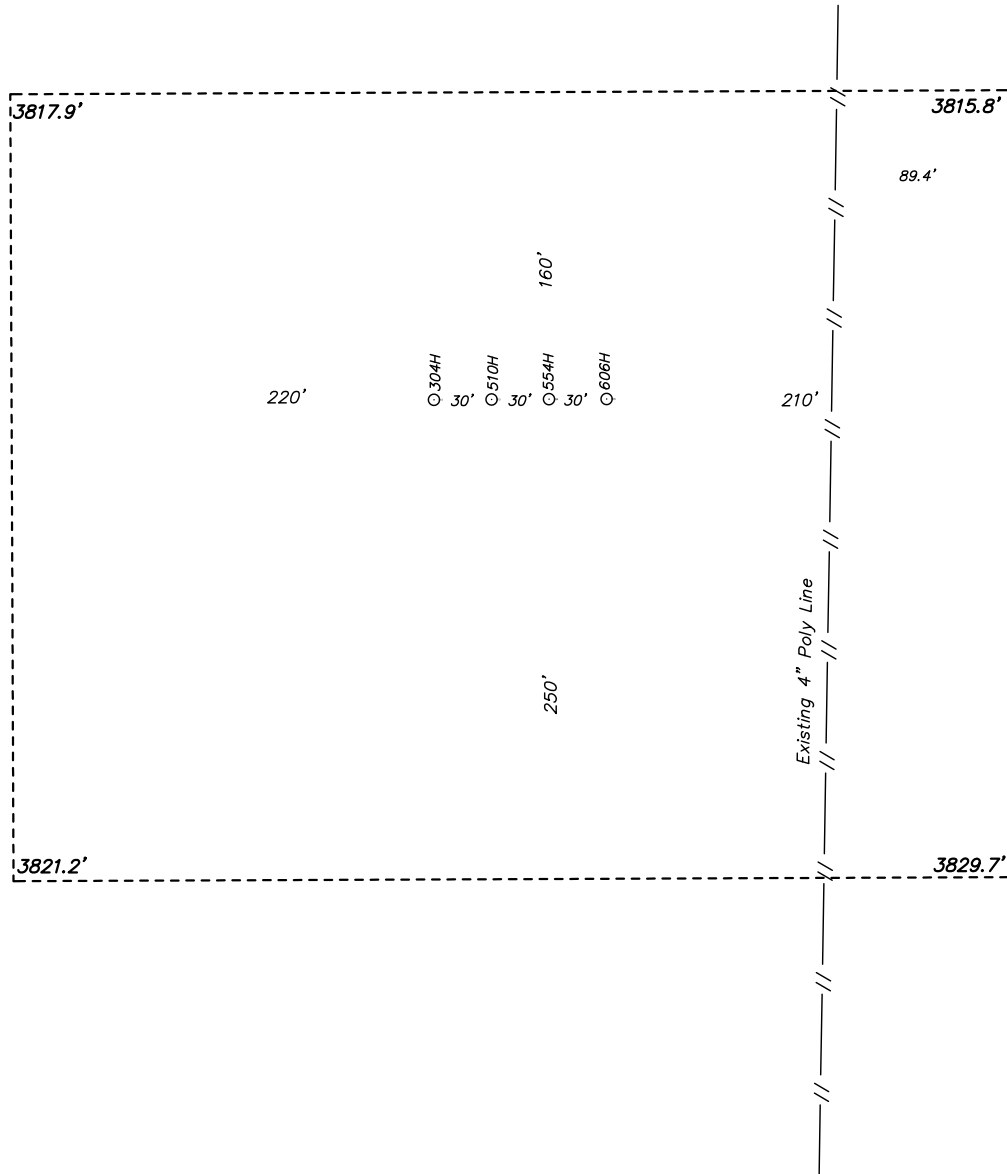
ADVANCE ENERGY PARTNERS HAT MESA

REF: DAGGER STATE COM #304H / WELL PAD TOPO

THE DAGGER STATE COM #304H LOCATED 2560' FROM
THE NORTH LINE AND 1950' FROM THE WEST LINE OF
SECTION 30, TOWNSHIP 21 SOUTH, RANGE 33 EAST.

N.M.P.M., LEA COUNTY, NEW MEXICO.

**SECTION 30, TOWNSHIP 21 SOUTH, RANGE 33 EAST. N.M.P.M.,
LEA COUNTY, NEW MEXICO.**



ADVANCE ENERGY PARTNERS HAT MESA

REF: DAGGER STATE COM #304H / WELL PAD TOPO

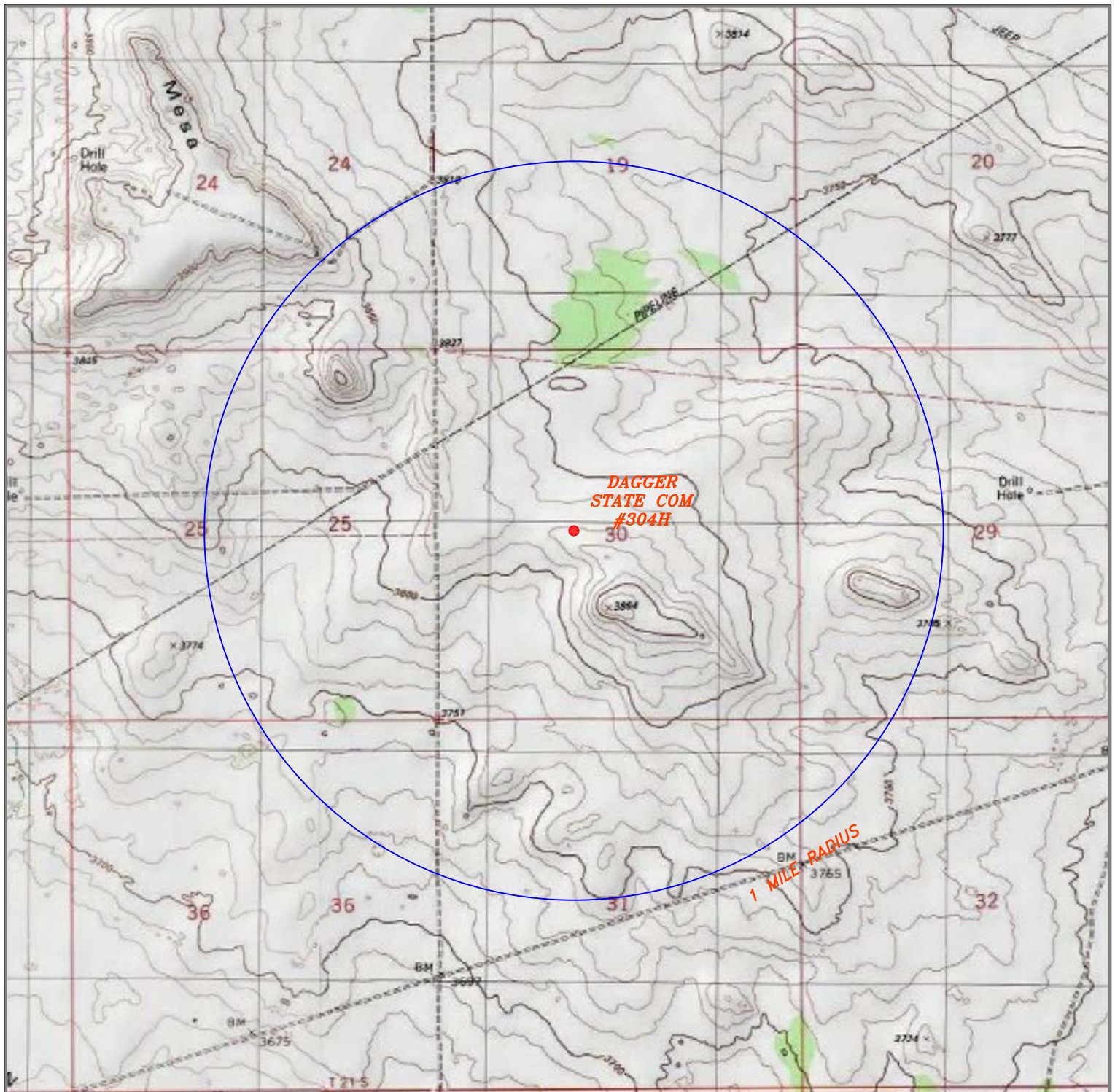
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DAGGER STATE COM #304H

Located 2560' FNL and 1950' FWL
 Section 30, Township 21 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



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0' 1000' 2000' 3000' 150'0"
 SCALE: 1" = 2000'

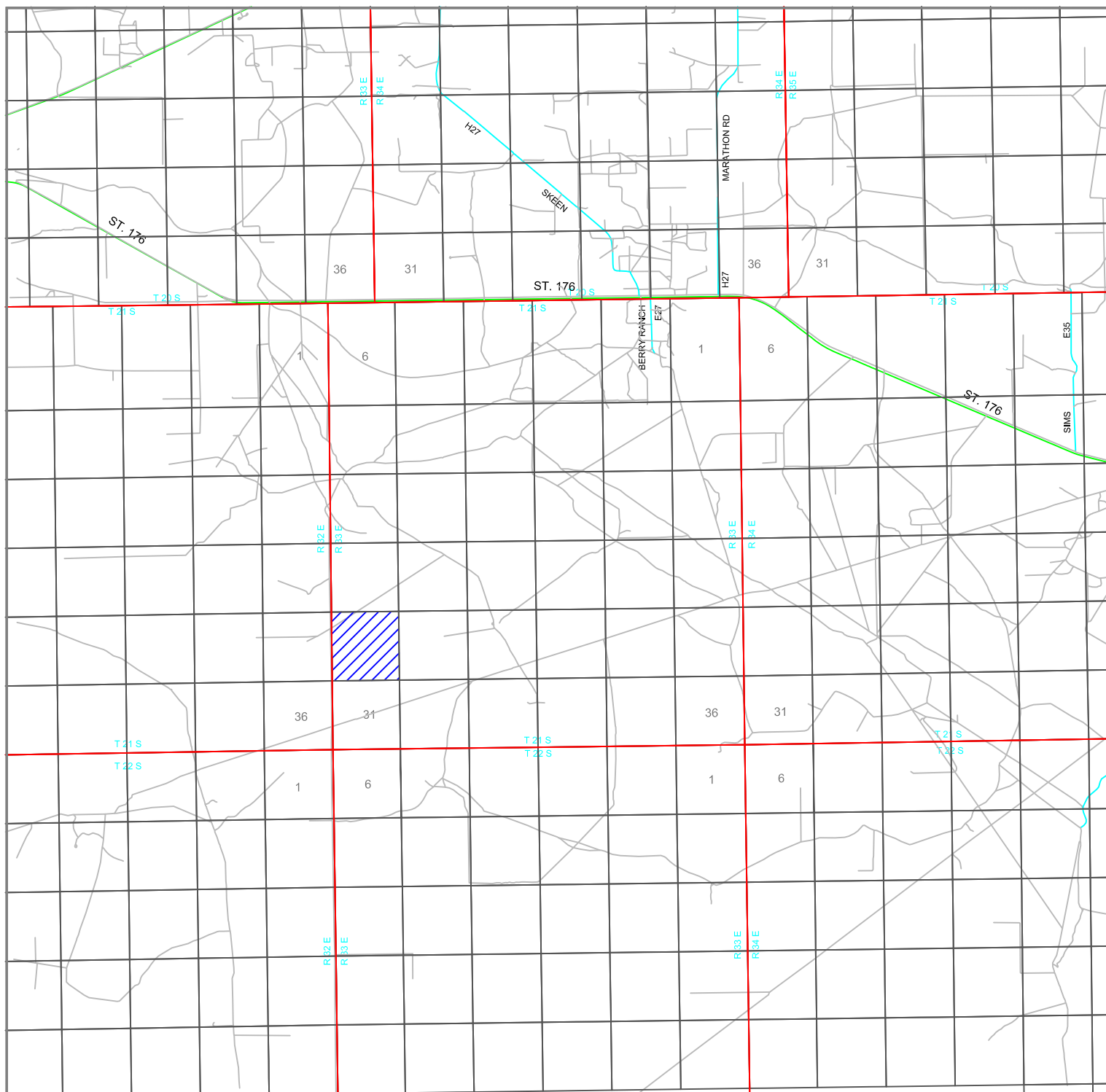
W.O. Number: KJG 35591

Survey Date: 02-19-2022

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



**ADVANCE
 ENERGY
 PARTNERS
 HAT MESA**



DAGGER STATE COM #304H

Located 2560' FNL and 1950' FWL
 Section 30, Township 21 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



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0 1 MI 2 MI 3 MI 4 MI

SCALE: 1" = 2 MILES

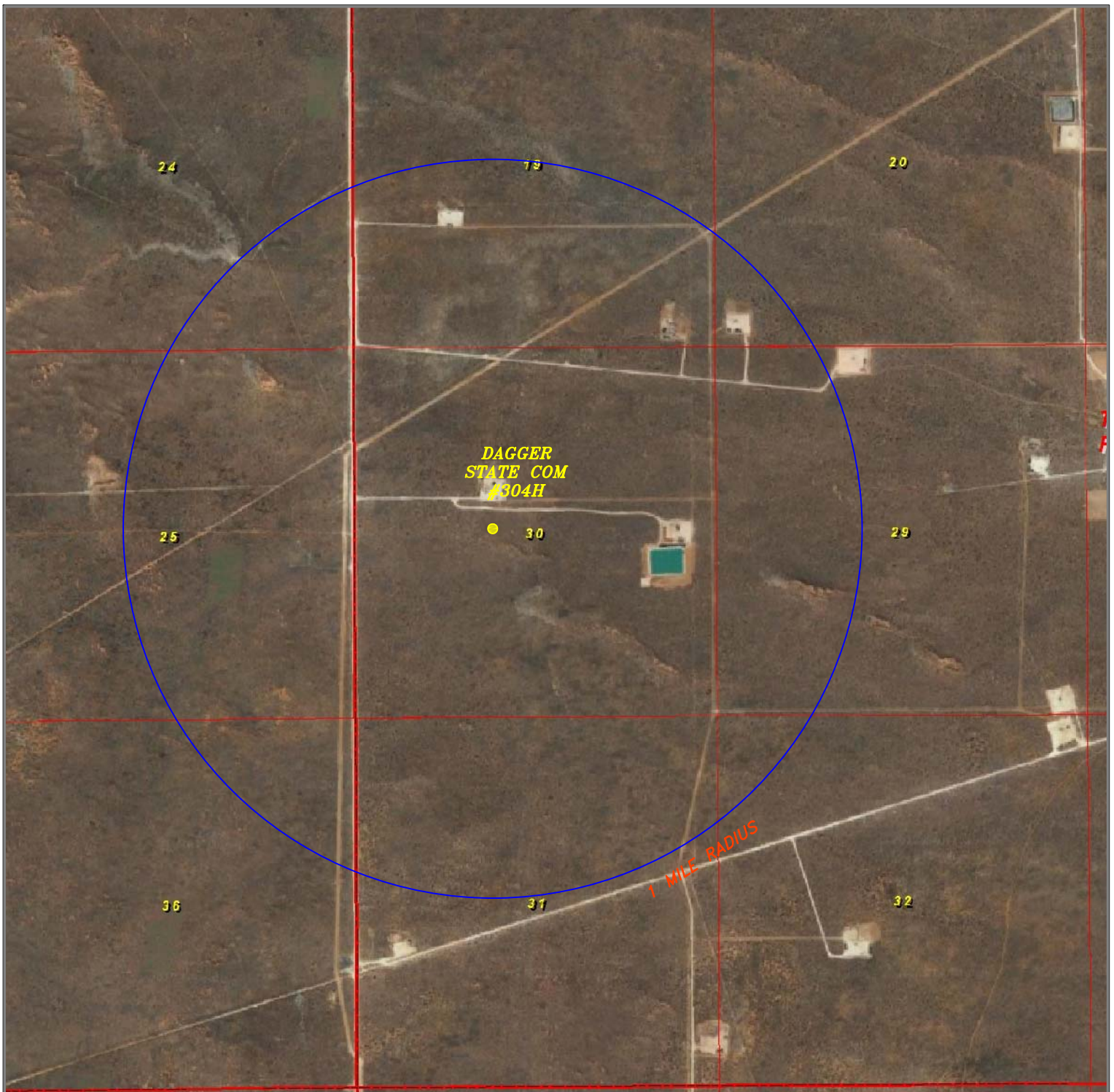
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**ADVANCE
 ENERGY
 PARTNERS
 HAT MESA**

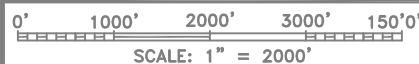


DAGGER STATE COM #304H

Located 2560' FNL and 1950' FWL
Section 30, Township 21 South, Range 33 East,
N.M.P.M., Lea County, New Mexico.



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SCALE: 1" = 2000'

W.O. Number: KJG 35591

Survey Date: 02-19-2022

YELLOW TINT - USA LAND
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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

Form APD Comments

Permit 312033

PERMIT COMMENTS

Operator Name and Address: ADVANCE ENERGY PARTNERS HAT MESA, LLC [372417] 11490 Westheimer Rd., Ste 950 Houston, TX 77077		API Number: 30-025-49940
		Well: DAGGER STATE COM #304H
Created By	Comment	Comment Date
pkautz	HOLD FOUR STRING CASIG AREA	3/23/2022
pkautz	Rejected so operator can resubmit four string casing design	3/24/2022

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

Form APD Conditions

Permit 312033

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: ADVANCE ENERGY PARTNERS HAT MESA, LLC [372417] 11490 Westheimer Rd., Ste 950 Houston, TX 77077	API Number: 30-025-49940
	Well: DAGGER STATE COM #304H

OCD Reviewer	Condition
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
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
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
pkautz	CEMENT MUST COME TO THE SURFACE ON ALL STRINGS
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud



Advance Energy Partners

Hat Mesa

Dagger State

Dagger State Com 304H

Dagger State Com 304H

Plan: Dagger State Com 304H

Standard Planning Report

10 March, 2022



Planning Report

Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Dagger State Com 304H
Company:	Advance Energy Partners	TVD Reference:	WELL @ 3852.5usft (Original Well Elev)
Project:	Hat Mesa	MD Reference:	WELL @ 3852.5usft (Original Well Elev)
Site:	Dagger State	North Reference:	Grid
Well:	Dagger State Com 304H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Dagger State Com 304H		
Design:	Dagger State Com 304H		

Project	Hat Mesa, Lea County, NM		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site		Dagger State			
Site Position:		Northing:	529,194.79 usft	Latitude:	32° 27' 9.770 N
From:	Lat/Long	Easting:	766,028.88 usft	Longitude:	103° 36' 17.644 W
Position Uncertainty:		0.0 usft	Slot Radius:	13-3/16 "	

Well	Dagger State Com 304H					
Well Position	+N/-S	0.0 usft	Northing:	528,231.59 usft	Latitude:	32° 27' 0.418 N
	+E/-W	0.0 usft	Easting:	763,377.20 usft	Longitude:	103° 36' 48.665 W
Position Uncertainty		0.0 usft	Wellhead Elevation:	usft	Ground Level:	3,820.0 usft
Grid Convergence:		0.39 °				

Wellbore	Dagger State Com 304H				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2015	3/10/2022	6.47	60.20	47,577.36285680

Design	Dagger State Com 304H				
Audit Notes:					
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0	
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)	
	0.0	0.0	0.0	0.62	

Plan Survey Tool Program	Date	3/10/2022			
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks	
1	0.0	18,139.9	Dagger State Com 304H (Dagger)		



Planning Report

Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Dagger State Com 304H
Company:	Advance Energy Partners	TVD Reference:	WELL @ 3852.5usft (Original Well Elev)
Project:	Hat Mesa	MD Reference:	WELL @ 3852.5usft (Original Well Elev)
Site:	Dagger State	North Reference:	Grid
Well:	Dagger State Com 304H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Dagger State Com 304H		
Design:	Dagger State Com 304H		

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
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,049.4	5.49	168.10	3,048.5	-25.8	5.4	1.00	1.00	0.00	168.10	
8,477.2	5.49	168.10	8,451.5	-534.2	112.6	0.00	0.00	0.00	0.00	
9,026.6	0.00	0.00	9,000.0	-560.0	118.0	1.00	-1.00	0.00	180.00	
9,569.2	0.00	0.00	9,542.5	-560.0	118.0	0.00	0.00	0.00	0.00	
10,319.2	90.00	2.26	10,020.0	-82.9	136.9	12.00	12.00	0.00	2.26	
10,322.6	90.00	2.26	10,020.0	-79.5	137.0	0.00	0.00	0.00	0.00	Dagger State Com 30
10,456.4	90.00	359.59	10,020.0	54.4	139.2	2.00	0.00	-2.00	-90.00	
18,139.9	90.00	359.59	10,020.0	7,737.6	83.8	0.00	0.00	0.00	0.00	Dagger State Com 30



Planning Report

Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Dagger State Com 304H
Company:	Advance Energy Partners	TVD Reference:	WELL @ 3852.5usft (Original Well Elev)
Project:	Hat Mesa	MD Reference:	WELL @ 3852.5usft (Original Well Elev)
Site:	Dagger State	North Reference:	Grid
Well:	Dagger State Com 304H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Dagger State Com 304H		
Design:	Dagger State Com 304H		

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)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,560.5	0.00	0.00	1,560.5	0.0	0.0	0.0	0.00	0.00	0.00
Rustler									
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP - Start Build 1.00									
2,600.0	1.00	168.10	2,600.0	-0.9	0.2	-0.9	1.00	1.00	0.00
2,700.0	2.00	168.10	2,700.0	-3.4	0.7	-3.4	1.00	1.00	0.00
2,800.0	3.00	168.10	2,799.9	-7.7	1.6	-7.7	1.00	1.00	0.00
2,900.0	4.00	168.10	2,899.7	-13.7	2.9	-13.6	1.00	1.00	0.00
3,000.0	5.00	168.10	2,999.4	-21.3	4.5	-21.3	1.00	1.00	0.00
3,049.4	5.49	168.10	3,048.5	-25.8	5.4	-25.7	1.00	1.00	0.00
Start 5427.8 hold at 3049.4 MD									
3,100.0	5.49	168.10	3,098.9	-30.5	6.4	-30.4	0.00	0.00	0.00
3,200.0	5.49	168.10	3,198.5	-39.9	8.4	-39.8	0.00	0.00	0.00
3,300.0	5.49	168.10	3,298.0	-49.2	10.4	-49.1	0.00	0.00	0.00
3,400.0	5.49	168.10	3,397.5	-58.6	12.3	-58.5	0.00	0.00	0.00
3,500.0	5.49	168.10	3,497.1	-68.0	14.3	-67.8	0.00	0.00	0.00
3,600.0	5.49	168.10	3,596.6	-77.3	16.3	-77.2	0.00	0.00	0.00
3,700.0	5.49	168.10	3,696.2	-86.7	18.3	-86.5	0.00	0.00	0.00
3,800.0	5.49	168.10	3,795.7	-96.1	20.2	-95.8	0.00	0.00	0.00
3,900.0	5.49	168.10	3,895.3	-105.4	22.2	-105.2	0.00	0.00	0.00
4,000.0	5.49	168.10	3,994.8	-114.8	24.2	-114.5	0.00	0.00	0.00
4,100.0	5.49	168.10	4,094.3	-124.2	26.2	-123.9	0.00	0.00	0.00
4,200.0	5.49	168.10	4,193.9	-133.5	28.1	-133.2	0.00	0.00	0.00
4,300.0	5.49	168.10	4,293.4	-142.9	30.1	-142.6	0.00	0.00	0.00
4,400.0	5.49	168.10	4,393.0	-152.3	32.1	-151.9	0.00	0.00	0.00
4,500.0	5.49	168.10	4,492.5	-161.7	34.1	-161.3	0.00	0.00	0.00
4,600.0	5.49	168.10	4,592.0	-171.0	36.0	-170.6	0.00	0.00	0.00
4,700.0	5.49	168.10	4,691.6	-180.4	38.0	-180.0	0.00	0.00	0.00



Planning Report

Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Dagger State Com 304H
Company:	Advance Energy Partners	TVD Reference:	WELL @ 3852.5usft (Original Well Elev)
Project:	Hat Mesa	MD Reference:	WELL @ 3852.5usft (Original Well Elev)
Site:	Dagger State	North Reference:	Grid
Well:	Dagger State Com 304H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Dagger State Com 304H		
Design:	Dagger State Com 304H		

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)
4,800.0	5.49	168.10	4,791.1	-189.8	40.0	-189.3	0.00	0.00	0.00
4,900.0	5.49	168.10	4,890.7	-199.1	42.0	-198.7	0.00	0.00	0.00
5,000.0	5.49	168.10	4,990.2	-208.5	43.9	-208.0	0.00	0.00	0.00
5,100.0	5.49	168.10	5,089.7	-217.9	45.9	-217.3	0.00	0.00	0.00
5,200.0	5.49	168.10	5,189.3	-227.2	47.9	-226.7	0.00	0.00	0.00
5,300.0	5.49	168.10	5,288.8	-236.6	49.9	-236.0	0.00	0.00	0.00
5,398.1	5.49	168.10	5,386.5	-245.8	51.8	-245.2	0.00	0.00	0.00
Base of Limestone									
5,400.0	5.49	168.10	5,388.4	-246.0	51.8	-245.4	0.00	0.00	0.00
5,500.0	5.49	168.10	5,487.9	-255.3	53.8	-254.7	0.00	0.00	0.00
5,600.0	5.49	168.10	5,587.4	-264.7	55.8	-264.1	0.00	0.00	0.00
5,700.0	5.49	168.10	5,687.0	-274.1	57.8	-273.4	0.00	0.00	0.00
5,800.0	5.49	168.10	5,786.5	-283.4	59.7	-282.8	0.00	0.00	0.00
5,900.0	5.49	168.10	5,886.1	-292.8	61.7	-292.1	0.00	0.00	0.00
6,000.0	5.49	168.10	5,985.6	-302.2	63.7	-301.5	0.00	0.00	0.00
6,100.0	5.49	168.10	6,085.1	-311.5	65.6	-310.8	0.00	0.00	0.00
6,200.0	5.49	168.10	6,184.7	-320.9	67.6	-320.2	0.00	0.00	0.00
6,300.0	5.49	168.10	6,284.2	-330.3	69.6	-329.5	0.00	0.00	0.00
6,400.0	5.49	168.10	6,383.8	-339.6	71.6	-338.9	0.00	0.00	0.00
6,500.0	5.49	168.10	6,483.3	-349.0	73.5	-348.2	0.00	0.00	0.00
6,600.0	5.49	168.10	6,582.8	-358.4	75.5	-357.5	0.00	0.00	0.00
6,700.0	5.49	168.10	6,682.4	-367.8	77.5	-366.9	0.00	0.00	0.00
6,800.0	5.49	168.10	6,781.9	-377.1	79.5	-376.2	0.00	0.00	0.00
6,900.0	5.49	168.10	6,881.5	-386.5	81.4	-385.6	0.00	0.00	0.00
7,000.0	5.49	168.10	6,981.0	-395.9	83.4	-394.9	0.00	0.00	0.00
7,100.0	5.49	168.10	7,080.6	-405.2	85.4	-404.3	0.00	0.00	0.00
7,200.0	5.49	168.10	7,180.1	-414.6	87.4	-413.6	0.00	0.00	0.00
7,300.0	5.49	168.10	7,279.6	-424.0	89.3	-423.0	0.00	0.00	0.00
7,400.0	5.49	168.10	7,379.2	-433.3	91.3	-432.3	0.00	0.00	0.00
7,500.0	5.49	168.10	7,478.7	-442.7	93.3	-441.7	0.00	0.00	0.00
7,600.0	5.49	168.10	7,578.3	-452.1	95.3	-451.0	0.00	0.00	0.00
7,700.0	5.49	168.10	7,677.8	-461.4	97.2	-460.4	0.00	0.00	0.00
7,800.0	5.49	168.10	7,777.3	-470.8	99.2	-469.7	0.00	0.00	0.00
7,900.0	5.49	168.10	7,876.9	-480.2	101.2	-479.0	0.00	0.00	0.00
8,000.0	5.49	168.10	7,976.4	-489.5	103.2	-488.4	0.00	0.00	0.00
8,100.0	5.49	168.10	8,076.0	-498.9	105.1	-497.7	0.00	0.00	0.00
8,200.0	5.49	168.10	8,175.5	-508.3	107.1	-507.1	0.00	0.00	0.00
8,300.0	5.49	168.10	8,275.0	-517.6	109.1	-516.4	0.00	0.00	0.00
8,400.0	5.49	168.10	8,374.6	-527.0	111.0	-525.8	0.00	0.00	0.00
8,477.2	5.49	168.10	8,451.5	-534.2	112.6	-533.0	0.00	0.00	0.00
Start Drop -1.00									
8,500.0	5.27	168.10	8,474.1	-536.3	113.0	-535.1	1.00	-1.00	0.00
8,579.7	4.47	168.10	8,553.5	-543.0	114.4	-541.7	1.00	-1.00	0.00
Lower Brushy									
8,600.0	4.27	168.10	8,573.8	-544.5	114.7	-543.2	1.00	-1.00	0.00
8,700.0	3.27	168.10	8,673.6	-550.9	116.1	-549.6	1.00	-1.00	0.00
8,800.0	2.27	168.10	8,773.4	-555.6	117.1	-554.3	1.00	-1.00	0.00
8,900.0	1.27	168.10	8,873.4	-558.6	117.7	-557.3	1.00	-1.00	0.00
9,000.0	0.27	168.10	8,973.4	-559.9	118.0	-558.6	1.00	-1.00	0.00
9,026.6	0.00	0.00	9,000.0	-560.0	118.0	-558.7	1.00	-1.00	0.00
Start 542.5 hold at 9026.6 MD									
9,100.0	0.00	0.00	9,073.4	-560.0	118.0	-558.7	0.00	0.00	0.00
9,116.1	0.00	0.00	9,089.5	-560.0	118.0	-558.7	0.00	0.00	0.00
Avalon									



Planning Report

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Company:	Advance Energy Partners	TVD Reference:	WELL @ 3852.5usft (Original Well Elev)
Project:	Hat Mesa	MD Reference:	WELL @ 3852.5usft (Original Well Elev)
Site:	Dagger State	North Reference:	Grid
Well:	Dagger State Com 304H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Dagger State Com 304H		
Design:	Dagger State Com 304H		

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)
9,200.0	0.00	0.00	9,173.4	-560.0	118.0	-558.7	0.00	0.00	0.00
9,300.0	0.00	0.00	9,273.4	-560.0	118.0	-558.7	0.00	0.00	0.00
9,400.0	0.00	0.00	9,373.4	-560.0	118.0	-558.7	0.00	0.00	0.00
9,500.0	0.00	0.00	9,473.4	-560.0	118.0	-558.7	0.00	0.00	0.00
9,569.2	0.00	0.00	9,542.5	-560.0	118.0	-558.7	0.00	0.00	0.00
KOP #2 - Start Build 12.00									
9,600.0	3.70	2.26	9,573.4	-559.0	118.0	-557.7	12.00	12.00	0.00
9,700.0	15.70	2.26	9,671.8	-542.2	118.7	-540.9	12.00	12.00	0.00
9,800.0	27.70	2.26	9,764.5	-505.3	120.2	-504.0	12.00	12.00	0.00
9,900.0	39.70	2.26	9,847.5	-450.0	122.4	-448.6	12.00	12.00	0.00
10,000.0	51.70	2.26	9,917.2	-378.6	125.2	-377.2	12.00	12.00	0.00
10,100.0	63.70	2.26	9,970.6	-294.3	128.5	-292.9	12.00	12.00	0.00
10,200.0	75.70	2.26	10,005.2	-200.7	132.2	-199.3	12.00	12.00	0.00
10,300.0	87.70	2.26	10,019.6	-102.0	136.1	-100.6	12.00	12.00	0.00
10,319.2	90.00	2.26	10,020.0	-82.9	136.9	-81.4	12.00	12.00	0.00
LP - Start 3.5 hold at 10319.2 MD									
10,322.6	90.00	2.26	10,020.0	-79.5	137.0	-78.0	0.00	0.00	0.00
Start DLS 2.00 TFO -90.00 - Dagger State Com 304H LP									
10,400.0	90.00	0.72	10,020.0	-2.1	139.0	-0.6	2.00	0.00	-2.00
10,456.4	90.00	359.59	10,020.0	54.4	139.2	55.9	2.00	0.00	-2.00
Start 7683.5 hold at 10456.4 MD									
10,500.0	90.00	359.59	10,020.0	97.9	138.8	99.4	0.00	0.00	0.00
10,600.0	90.00	359.59	10,020.0	197.9	138.1	199.4	0.00	0.00	0.00
10,700.0	90.00	359.59	10,020.0	297.9	137.4	299.4	0.00	0.00	0.00
10,800.0	90.00	359.59	10,020.0	397.9	136.7	399.4	0.00	0.00	0.00
10,900.0	90.00	359.59	10,020.0	497.9	136.0	499.3	0.00	0.00	0.00
11,000.0	90.00	359.59	10,020.0	597.9	135.2	599.3	0.00	0.00	0.00
11,100.0	90.00	359.59	10,020.0	697.9	134.5	699.3	0.00	0.00	0.00
11,200.0	90.00	359.59	10,020.0	797.9	133.8	799.3	0.00	0.00	0.00
11,300.0	90.00	359.59	10,020.0	897.9	133.1	899.3	0.00	0.00	0.00
11,400.0	90.00	359.59	10,020.0	997.9	132.4	999.3	0.00	0.00	0.00
11,500.0	90.00	359.59	10,020.0	1,097.9	131.6	1,099.2	0.00	0.00	0.00
11,600.0	90.00	359.59	10,020.0	1,197.9	130.9	1,199.2	0.00	0.00	0.00
11,700.0	90.00	359.59	10,020.0	1,297.9	130.2	1,299.2	0.00	0.00	0.00
11,800.0	90.00	359.59	10,020.0	1,397.9	129.5	1,399.2	0.00	0.00	0.00
11,900.0	90.00	359.59	10,020.0	1,497.9	128.8	1,499.2	0.00	0.00	0.00
12,000.0	90.00	359.59	10,020.0	1,597.9	128.0	1,599.2	0.00	0.00	0.00
12,100.0	90.00	359.59	10,020.0	1,697.9	127.3	1,699.1	0.00	0.00	0.00
12,200.0	90.00	359.59	10,020.0	1,797.9	126.6	1,799.1	0.00	0.00	0.00
12,300.0	90.00	359.59	10,020.0	1,897.9	125.9	1,899.1	0.00	0.00	0.00
12,400.0	90.00	359.59	10,020.0	1,997.9	125.2	1,999.1	0.00	0.00	0.00
12,500.0	90.00	359.59	10,020.0	2,097.9	124.4	2,099.1	0.00	0.00	0.00
12,600.0	90.00	359.59	10,020.0	2,197.9	123.7	2,199.1	0.00	0.00	0.00
12,700.0	90.00	359.59	10,020.0	2,297.9	123.0	2,299.0	0.00	0.00	0.00
12,800.0	90.00	359.59	10,020.0	2,397.8	122.3	2,399.0	0.00	0.00	0.00
12,900.0	90.00	359.59	10,020.0	2,497.8	121.6	2,499.0	0.00	0.00	0.00
13,000.0	90.00	359.59	10,020.0	2,597.8	120.8	2,599.0	0.00	0.00	0.00
13,100.0	90.00	359.59	10,020.0	2,697.8	120.1	2,699.0	0.00	0.00	0.00
13,200.0	90.00	359.59	10,020.0	2,797.8	119.4	2,799.0	0.00	0.00	0.00
13,300.0	90.00	359.59	10,020.0	2,897.8	118.7	2,899.0	0.00	0.00	0.00
13,400.0	90.00	359.59	10,020.0	2,997.8	118.0	2,998.9	0.00	0.00	0.00
13,500.0	90.00	359.59	10,020.0	3,097.8	117.2	3,098.9	0.00	0.00	0.00
13,600.0	90.00	359.59	10,020.0	3,197.8	116.5	3,198.9	0.00	0.00	0.00



Planning Report

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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)	
13,700.0	90.00	359.59	10,020.0	3,297.8	115.8	3,298.9	0.00	0.00	0.00	
13,800.0	90.00	359.59	10,020.0	3,397.8	115.1	3,398.9	0.00	0.00	0.00	
13,900.0	90.00	359.59	10,020.0	3,497.8	114.4	3,498.9	0.00	0.00	0.00	
14,000.0	90.00	359.59	10,020.0	3,597.8	113.6	3,598.8	0.00	0.00	0.00	
14,100.0	90.00	359.59	10,020.0	3,697.8	112.9	3,698.8	0.00	0.00	0.00	
14,200.0	90.00	359.59	10,020.0	3,797.8	112.2	3,798.8	0.00	0.00	0.00	
14,300.0	90.00	359.59	10,020.0	3,897.8	111.5	3,898.8	0.00	0.00	0.00	
14,400.0	90.00	359.59	10,020.0	3,997.8	110.8	3,998.8	0.00	0.00	0.00	
14,500.0	90.00	359.59	10,020.0	4,097.8	110.0	4,098.8	0.00	0.00	0.00	
14,600.0	90.00	359.59	10,020.0	4,197.8	109.3	4,198.7	0.00	0.00	0.00	
14,700.0	90.00	359.59	10,020.0	4,297.8	108.6	4,298.7	0.00	0.00	0.00	
14,800.0	90.00	359.59	10,020.0	4,397.8	107.9	4,398.7	0.00	0.00	0.00	
14,900.0	90.00	359.59	10,020.0	4,497.8	107.2	4,498.7	0.00	0.00	0.00	
15,000.0	90.00	359.59	10,020.0	4,597.8	106.4	4,598.7	0.00	0.00	0.00	
15,100.0	90.00	359.59	10,020.0	4,697.8	105.7	4,698.7	0.00	0.00	0.00	
15,200.0	90.00	359.59	10,020.0	4,797.8	105.0	4,798.6	0.00	0.00	0.00	
15,300.0	90.00	359.59	10,020.0	4,897.8	104.3	4,898.6	0.00	0.00	0.00	
15,400.0	90.00	359.59	10,020.0	4,997.8	103.6	4,998.6	0.00	0.00	0.00	
15,500.0	90.00	359.59	10,020.0	5,097.8	102.8	5,098.6	0.00	0.00	0.00	
15,600.0	90.00	359.59	10,020.0	5,197.8	102.1	5,198.6	0.00	0.00	0.00	
15,700.0	90.00	359.59	10,020.0	5,297.8	101.4	5,298.6	0.00	0.00	0.00	
15,800.0	90.00	359.59	10,020.0	5,397.8	100.7	5,398.5	0.00	0.00	0.00	
15,900.0	90.00	359.59	10,020.0	5,497.8	100.0	5,498.5	0.00	0.00	0.00	
16,000.0	90.00	359.59	10,020.0	5,597.8	99.2	5,598.5	0.00	0.00	0.00	
16,100.0	90.00	359.59	10,020.0	5,697.8	98.5	5,698.5	0.00	0.00	0.00	
16,200.0	90.00	359.59	10,020.0	5,797.8	97.8	5,798.5	0.00	0.00	0.00	
16,300.0	90.00	359.59	10,020.0	5,897.8	97.1	5,898.5	0.00	0.00	0.00	
16,400.0	90.00	359.59	10,020.0	5,997.8	96.4	5,998.4	0.00	0.00	0.00	
16,500.0	90.00	359.59	10,020.0	6,097.8	95.6	6,098.4	0.00	0.00	0.00	
16,600.0	90.00	359.59	10,020.0	6,197.7	94.9	6,198.4	0.00	0.00	0.00	
16,700.0	90.00	359.59	10,020.0	6,297.7	94.2	6,298.4	0.00	0.00	0.00	
16,800.0	90.00	359.59	10,020.0	6,397.7	93.5	6,398.4	0.00	0.00	0.00	
16,900.0	90.00	359.59	10,020.0	6,497.7	92.8	6,498.4	0.00	0.00	0.00	
17,000.0	90.00	359.59	10,020.0	6,597.7	92.0	6,598.3	0.00	0.00	0.00	
17,100.0	90.00	359.59	10,020.0	6,697.7	91.3	6,698.3	0.00	0.00	0.00	
17,200.0	90.00	359.59	10,020.0	6,797.7	90.6	6,798.3	0.00	0.00	0.00	
17,300.0	90.00	359.59	10,020.0	6,897.7	89.9	6,898.3	0.00	0.00	0.00	
17,400.0	90.00	359.59	10,020.0	6,997.7	89.2	6,998.3	0.00	0.00	0.00	
17,500.0	90.00	359.59	10,020.0	7,097.7	88.4	7,098.3	0.00	0.00	0.00	
17,600.0	90.00	359.59	10,020.0	7,197.7	87.7	7,198.3	0.00	0.00	0.00	
17,700.0	90.00	359.59	10,020.0	7,297.7	87.0	7,298.2	0.00	0.00	0.00	
17,800.0	90.00	359.59	10,020.0	7,397.7	86.3	7,398.2	0.00	0.00	0.00	
17,900.0	90.00	359.59	10,020.0	7,497.7	85.6	7,498.2	0.00	0.00	0.00	
18,000.0	90.00	359.59	10,020.0	7,597.7	84.8	7,598.2	0.00	0.00	0.00	
18,100.0	90.00	359.59	10,020.0	7,697.7	84.1	7,698.2	0.00	0.00	0.00	
18,139.9	90.00	359.59	10,020.0	7,737.6	83.8	7,738.1	0.00	0.00	0.00	
TD at 18139.9 - Dagger State Com 304H BHL										



Planning Report

Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Dagger State Com 304H
Company:	Advance Energy Partners	TVD Reference:	WELL @ 3852.5usft (Original Well Elev)
Project:	Hat Mesa	MD Reference:	WELL @ 3852.5usft (Original Well Elev)
Site:	Dagger State	North Reference:	Grid
Well:	Dagger State Com 304H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Dagger State Com 304H		
Design:	Dagger State Com 304H		

Design Targets									
Target Name									
- hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- Shape	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
Dagger State Com 304H- - plan hits target center - Point	0.00	0.00	10,020.0	-79.5	137.0	528,152.14	763,514.20	32° 26' 59.622 N	103° 36' 47.072 W
Dagger State Com 304H- - plan hits target center - Point	0.00	0.00	10,020.0	7,737.6	83.8	535,969.23	763,461.04	32° 28' 16.975 N	103° 36' 47.077 W

Casing Points					
Measured Depth	Vertical Depth			Casing Diameter	Hole Diameter
(usft)	(usft)		Name	(")	(")
10,319.2	10,020.0	LP		5-1/2	5-1/2

Formations					
Measured Depth	Vertical Depth			Dip	Dip Direction
(usft)	(usft)		Name	(°)	(°)
1,560.5	1,560.5	Rustler		0.00	
5,398.1	5,386.5	Base of Limestone		0.00	
8,579.7	8,553.5	Lower Brushy		0.00	
9,116.1	9,089.5	Avalon		0.00	

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates			
(usft)	(usft)	+N/-S	+E/-W	Comment	
(usft)	(usft)	(usft)	(usft)		
2,500.0	2,500.0	0.0	0.0	KOP - Start Build 1.00	
3,049.4	3,048.5	-25.8	5.4	Start 5427.8 hold at 3049.4 MD	
8,477.2	8,451.5	-534.2	112.6	Start Drop -1.00	
9,026.6	9,000.0	-560.0	118.0	Start 542.5 hold at 9026.6 MD	
9,569.2	9,542.5	-560.0	118.0	KOP #2 - Start Build 12.00	
10,319.2	10,020.0	-82.9	136.9	LP - Start 3.5 hold at 10319.2 MD	
10,322.6	10,020.0	-79.5	137.0	Start DLS 2.00 TFO -90.00	
10,456.4	10,020.0	54.4	139.2	Start 7683.5 hold at 10456.4 MD	
18,139.9	10,020.0	7,737.6	83.8	TD at 18139.9	

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: Advance Energy Partners Hat Mesa, LLC **OGRID:** 372417 **Date:** _____

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
Dagger State Com 306H	30-025	H-30-21S-33E	2610 FNL & 860 FEL	+/- 1200	+/- 2250	+/- 3000
Dagger State Com 520H	30-025	H-30-21S-33E	2610 FNL & 830 FEL	+/- 1200	+/- 2250	+/- 3000
Dagger State Com 304H	30-025	F-30-21S-33E	2560 FNL & 1950 FWL	+/- 1200	+/- 2250	+/- 3000
Dagger State Com 518H	30-025	G-30-21S-33E	2610 FNL & 2031 FEL	+/- 1200	+/- 2250	+/- 3000

IV. Central Delivery Point Name: _____ [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
Dagger State Com 306H	30-025	3/26/2022	4/26/2022	10/23/2022	12/7/2022	12/9/2022
Dagger State Com 520H	30-025	4/12/2022	5/13/2022	11/9/2022	12/24/2022	12/26/2022
Dagger State Com 304H	30-025	4/30/2022	5/31/2022	11/27/2022	1/11/2023	1/13/2023
Dagger State Com 518H	30-025	6/11/2022	7/12/2022	1/8/2023	2/22/2023	2/24/2023

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: Dayeed Khan
Title: Engineer
E-mail Address: dkhan@ameredev.com
Date: 3/9/2022
Phone: 737-300-4700
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Natural Gas Management Plan

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

- Separation equipment is sized to allow for retention time and velocity to adequately separate oil, gas, and water at anticipated peak rates.
- All central tank battery equipment is designed to efficiently capture the remaining gas from the liquid phase.
- Valves and meters are designed to service without flow interruption or venting of gas.

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

19.15.27.8 (A)

Advanced Energy Partners field operations are designed with the goal of minimizing flaring and preventing venting of natural gas. If capturing the gas is not possible then the gas is combusted/flared using properly sized flares or combustors in accordance with state air permit rules.

19.15.27.8 (B) Venting and Flaring during drilling operations

- A properly-sized flare stack will be located at a minimum 100' from the nearest surface hole location on the pad.
- All natural gas produced during drilling operations will be flared. Venting will only occur if there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment.

19.15.27.8 (C) Venting and Flaring during completions or recompletions operations.

- During all phases of flowback, wells will flow through a sand separator, or other appropriate flowback separation equipment, and the well stream will be directed to a central tank battery (CTB) through properly sized flowlines
- The CTB will have properly sized separation equipment for maximum anticipated flowrates
- Multiple stages of separation will be used to separate gas from liquids. All gas will be routed to a sales outlet. Fluids will be routed to tanks equipped with a closed loop system that will recover any residual gas from the tanks and route such gas to a sales outlet.

19.15.27.8 (D) Venting and Flaring during production operations.

- During production, the well stream will be routed to the CTB where multiple stages of separation will separate gas from liquids. All gas will be routed to a sales outlet. Fluids will be routed to tanks with a closed

loop system that will recover any residual gas from the tanks and route such gas to a sales outlet, minimizing tank emissions.

- Flares are equipped with auto-ignition systems and continuous pilot operations.
- Automatic gauging equipment is installed on all tanks.

19.15.27.8 (E) Performance Standards

- Production equipment will be designed to handle maximum anticipated rates and pressure.
- Automatic gauging equipment is installed on all tanks to minimize venting
- All flared gas will be combusted in a flare stack that is properly sized and designed to ensure proper combustion.
- Flares are equipped with continuous pilots and auto-ignitors along with remote monitoring of the pilot status
- Weekly AVOs and monthly LDAR inspections will be performed on all wells and facilities that produce more than 60 Mcfd.
- Gas/H₂S detectors will be installed throughout the facilities and wellheads to detect leaks and enable timely repairs.

19.15.27.8 (F) Measurement or estimation of vented and flared natural gas

- All high pressure flared gas is measured by equipment conforming to API 14.10.
- No meter bypasses are installed.
- When metering is not practical due to low pressure/low rate, the vented or flared volume will be estimated through flare flow curves with the assistance of air emissions consultants, as necessary.

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

- Advanced Energy Partners will use best management practices to vent as minimally as possible during well intervention operations and downhole well maintenance
- All natural gas is routed into the gas gathering system and directed to one of Advanced Energy Partners multiple gas sales outlets.
- All venting events will be recorded and all start-up, shutdown, maintenance logs will be kept for control equipment
- All control equipment will be maintained to provide highest run-time possible
- All procedures are drafted to keep venting and flaring to the absolute minimum