

**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 323862

**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 30-025-50570
4. Property Code 333273	5. Property Name BECKNELL 21 33 17 STATE COM	6. Well No. 912H

**7. Surface Location**

UL - Lot F	Section 17	Township 21S	Range 33E	Lot Idn F	Feet From 2437	N/S Line N	Feet From 1660	E/W Line W	County Lea
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**8. Proposed Bottom Hole Location**

UL - Lot K	Section 5	Township 21S	Range 33E	Lot Idn K	Feet From 2588	N/S Line S	Feet From 2190	E/W Line W	County Lea
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**9. Pool Information**

WC-025 G-08 S213304D;BONE SPRING	97895
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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 3788
16. Multiple N	17. Proposed Depth 21919	18. Formation 3rd Bone Spring Carbonate	19. Contractor	20. Spud Date 7/2/2023
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	1829	1403	0
Int1	12.25	10.75	40.5	3722	422	0
Int2	9.875	7.625	29.7	5494	812	0
Prod	6.75	5.5	20	21919	702	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.	<b>OIL CONSERVATION DIVISION</b>	
Signature:		
Printed Name: Electronically filed by Eileen M Kosakowski	Approved By: Paul F Kautz	
Title:	Title: Geologist	
Email Address: ekosakowski@advanceenergypartners.com	Approved Date: 9/14/2022	Expiration Date: 9/14/2024
Date: 8/24/2022	Phone: 832-672-4604	Conditions of Approval Attached

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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

<sup>1</sup> API Number 30-025- <b>50570</b>	<sup>2</sup> Pool Code 97895	<sup>3</sup> Pool Name WC-025 G-08 S213304D; BONE SPRING
<sup>4</sup> Property Code <b>333273</b>	<sup>5</sup> Property Name Becknell 21-33-17 State Com	<sup>6</sup> Well Number #912H
<sup>7</sup> OGRID No. 372417	<sup>8</sup> Operator Name ADVANCE ENERGY PARTNERS HAT MESA LLC	<sup>9</sup> Elevation 3,788.56'

<sup>10</sup> Surface Location

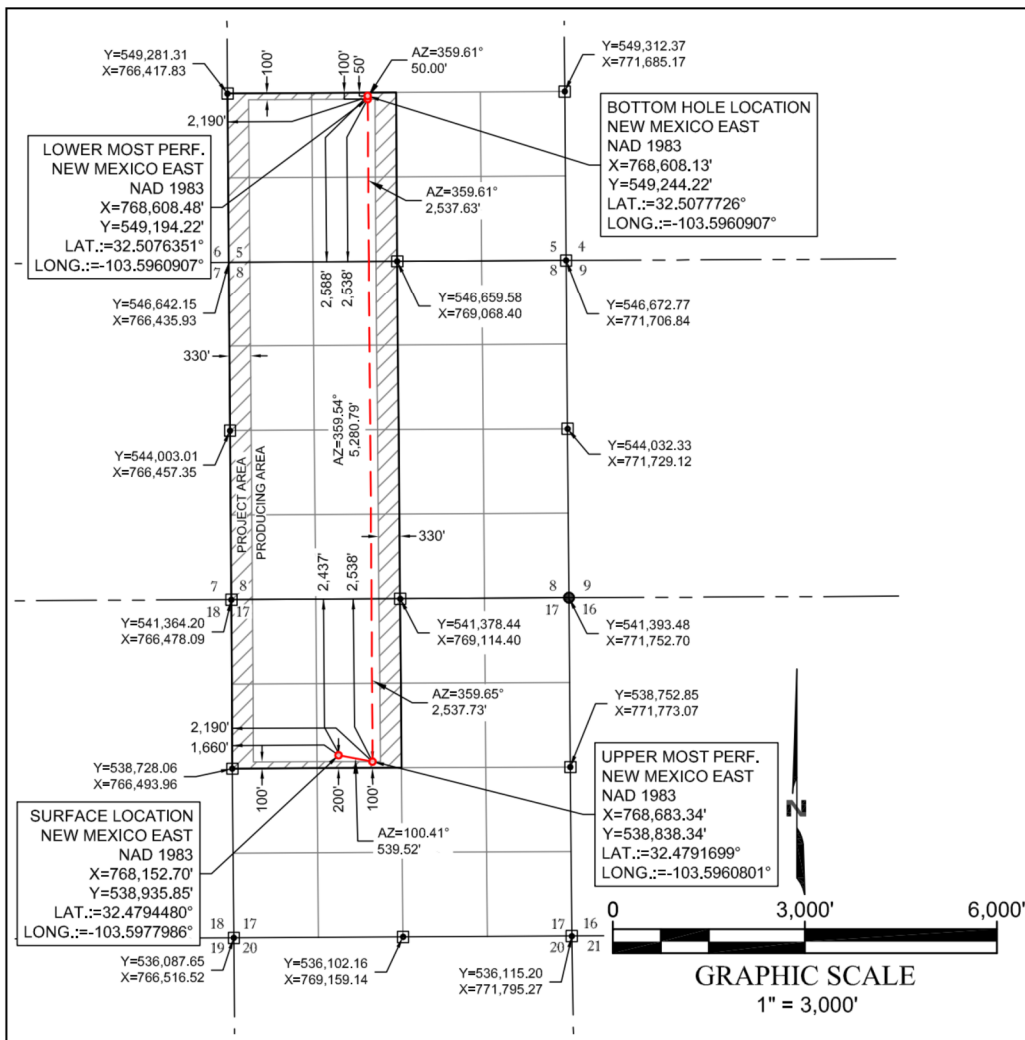
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	17	21-S	33-E	--	2,437'	NORTH	1,660'	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	5	21-S	33-E	--	2,588'	SOUTH	2,190'	WEST	LEA

<sup>12</sup> Dedicated Acres 640	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code C	<sup>15</sup> Order No.
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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.



<sup>17</sup> OPERATOR CERTIFICATION

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

*Floyd Hammond* 8/23/2022  
Signature Date

Floyd Hammond

Printed Name

fhammond@ameredev.com

E-mail Address

<sup>18</sup> 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.

08/18/2022

Date of Survey

Signature and Seal of Professional Surveyor

24873  
Certificate Number



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

Form APD Conditions

Permit 323862

**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: 30-025-50570
	Well: BECKNELL 21 33 17 STATE COM #912H

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary Designate

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval, Division Director  
Oil Conservation Division



September 12, 2022,

BUREAU OF LAND MANAGEMENT  
ATT: James S. Rutley  
620 E Greene Street  
Carlsbad, NM 88220

STATE LAND OFFICE  
ATT: Paige Czoski  
PO BOX 1148  
Santa Fe, NM 87505

RE: APPLICATION FOR PERMIT TO DRILL IN POTASH AREA

OPERATOR: Advance Energy Partners Hat Mesa, LLC

LEASE NAME: Becknell 21 33 17 State Com # 912H

PROPOSED LOCATION: U/L F Sec 17 T21S R33E 2437 FNL 1660 FWL

Lat. 32.4794480 Long. -103.5977966 NAD83

PROPOSED DEPTH: 21919' MD 11206' TVD

Gentleman:

The application for permit to drill identified above has been filed with this office of the New Mexico Oil Conservation Division. Pursuant to the provisions of Oil Conservation Division Order R – 111 - P, please advise this office whether the location is within an established Life-of-Mine-Reserve that are filed with and approved by your office. If not, please advise whether it is within the buffer zone established by the order.

Thank you for your assistance. Please Return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

*P. Kautz*  
Paul Kautz

Hobbs Office Geologist, District I

RESPONSE:

The above referenced location is in LMR (2022 year) -----Yes \_\_\_\_\_ No ✓

The above referenced location is within the Buffer Zone-----Yes \_\_\_\_\_ No ✓

Signed \_\_\_\_\_

Printed Signature

JAMES S. RUTLEY

Representing

BLM

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary Designate

**Todd E. Leahy, JD, PhD**  
Deputy Secretary

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Thank you for your assistance. Please Return as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

*P. Kautz*  
Paul Kautz

Hobbs Office Geologist, District I

RESONSE:

The above referenced location is in LMR ( 2022 year) -----Yes \_\_\_\_\_ No X

The above referenced location is within the Buffer Zone-----Yes \_\_\_\_\_ No X

Signed *Paige Czoski*

Printed Signature Paige Czoski

Representing NM SLO



American Resource Development LLC.

# **Ameredev Operating**

**Hat Mesa**

**Becknell State Com - C Pad**

**BECKNELL 21-31-17 STATE COM 912H**

**OWB**

**Plan: PRELIM1**

## **Standard Planning Report - Geographic**

**23 August, 2022**





American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

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

<b>Site</b>	Becknell State Com - C Pad		
<b>Site Position:</b>	<b>Northing:</b>	538,936.06 usft	<b>Latitude:</b> 32.479448
<b>From:</b> Map	<b>Easting:</b>	768,192.76 usft	<b>Longitude:</b> -103.597669
<b>Position Uncertainty:</b>	0.0 usft	<b>Slot Radius:</b>	13-3/16 "

<b>Well</b>	BECKNELL 21-31-17 STATE COM 912H		
<b>Well Position</b>	<b>+N/-S</b>	0.0 usft	<b>Northing:</b> 538,935.85 usft
	<b>+E/-W</b>	0.0 usft	<b>Easting:</b> 768,152.70 usft
<b>Position Uncertainty</b>	0.0 usft	<b>Wellhead Elevation:</b>	usft
<b>Grid Convergence:</b>	0.40 °	<b>Ground Level:</b>	3,789.0 usft

<b>Wellbore</b>	OWB				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2020	8/22/2022	6.44	60.09	47,516.08119525

<b>Design</b>	PRELIM1			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PROTOTYPE	<b>Tie On Depth:</b>	0.0
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Direction (°)</b>
	0.0	0.0	0.0	2.53

<b>Plan Survey Tool Program</b>	<b>Date</b>	8/23/2022		
<b>Depth From (usft)</b>	<b>Depth To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>
1	0.0	21,919.4 PRELIM1 (OWB)	MWD	
			OWSG MWD - Standard	

<b>Plan Sections</b>										
<b>Measured Depth (usft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Dogleg Rate (°/100usft)</b>	<b>Build Rate (°/100usft)</b>	<b>Turn Rate (°/100usft)</b>	<b>TFO (°)</b>	<b>Target</b>
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,254.8	5.10	138.70	2,254.5	-8.5	7.5	2.00	2.00	0.00	138.70	
10,731.2	5.10	138.70	10,697.3	-574.1	504.4	0.00	0.00	0.00	0.00	
11,513.3	90.00	359.59	11,206.0	-97.5	530.6	12.00	10.86	-17.79	-139.00	FTP (BS 912H)
21,869.5	90.00	359.59	11,206.0	10,258.4	455.8	0.00	0.00	0.00	0.00	LTP (BS 912H)
21,919.4	90.00	359.59	11,206.0	10,308.4	455.4	0.00	0.00	0.00	0.00	BHL (BS 912H)



American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
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<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.0	0.00	0.00	0.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
100.0	0.00	0.00	100.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
200.0	0.00	0.00	200.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
300.0	0.00	0.00	300.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
400.0	0.00	0.00	400.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
500.0	0.00	0.00	500.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
600.0	0.00	0.00	600.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
700.0	0.00	0.00	700.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
800.0	0.00	0.00	800.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
900.0	0.00	0.00	900.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,000.0	0.00	0.00	1,000.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,100.0	0.00	0.00	1,100.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,200.0	0.00	0.00	1,200.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,300.0	0.00	0.00	1,300.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,400.0	0.00	0.00	1,400.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,500.0	0.00	0.00	1,500.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,600.0	0.00	0.00	1,600.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,700.0	0.00	0.00	1,700.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,704.6	0.00	0.00	1,704.6	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
<b>RSR_GRID</b>									
1,800.0	0.00	0.00	1,800.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
1,900.0	0.00	0.00	1,900.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
2,000.0	0.00	0.00	2,000.0	0.0	0.0	538,935.85	768,152.70	32.479448	-103.597799
<b>Start Build 2.00</b>									
2,100.0	2.00	138.70	2,100.0	-1.3	1.2	538,934.54	768,153.85	32.479444	-103.597795
2,109.3	2.19	138.70	2,109.3	-1.6	1.4	538,934.29	768,154.07	32.479444	-103.597794
<b>SLDO_GRID</b>									
2,200.0	4.00	138.70	2,199.8	-5.2	4.6	538,930.61	768,157.30	32.479434	-103.597784
2,254.8	5.10	138.70	2,254.5	-8.5	7.5	538,927.35	768,160.17	32.479425	-103.597775
<b>Start 8476.4 hold at 2254.8 MD</b>									
2,300.0	5.10	138.70	2,299.5	-11.5	10.1	538,924.33	768,162.82	32.479416	-103.597766
2,400.0	5.10	138.70	2,399.1	-18.2	16.0	538,917.66	768,168.68	32.479398	-103.597747
2,500.0	5.10	138.70	2,498.7	-24.9	21.8	538,910.98	768,174.55	32.479379	-103.597729
2,600.0	5.10	138.70	2,598.3	-31.5	27.7	538,904.31	768,180.41	32.479361	-103.597710
2,700.0	5.10	138.70	2,697.9	-38.2	33.6	538,897.64	768,186.27	32.479342	-103.597691
2,800.0	5.10	138.70	2,797.5	-44.9	39.4	538,890.97	768,192.13	32.479324	-103.597672
2,900.0	5.10	138.70	2,897.1	-51.6	45.3	538,884.29	768,198.00	32.479306	-103.597653
3,000.0	5.10	138.70	2,996.7	-58.2	51.2	538,877.62	768,203.86	32.479287	-103.597634
3,100.0	5.10	138.70	3,096.3	-64.9	57.0	538,870.95	768,209.72	32.479269	-103.597615
3,200.0	5.10	138.70	3,195.9	-71.6	62.9	538,864.28	768,215.58	32.479250	-103.597597
3,300.0	5.10	138.70	3,295.5	-78.2	68.7	538,857.60	768,221.44	32.479232	-103.597578
3,400.0	5.10	138.70	3,395.1	-84.9	74.6	538,850.93	768,227.31	32.479213	-103.597559
3,500.0	5.10	138.70	3,494.7	-91.6	80.5	538,844.26	768,233.17	32.479195	-103.597540
3,600.0	5.10	138.70	3,594.3	-98.3	86.3	538,837.59	768,239.03	32.479176	-103.597521
3,603.2	5.10	138.70	3,597.5	-98.5	86.5	538,837.37	768,239.22	32.479176	-103.597521
<b>TNSL_GRID</b>									
3,700.0	5.10	138.70	3,694.0	-104.9	92.2	538,830.91	768,244.89	32.479158	-103.597502
3,800.0	5.10	138.70	3,793.6	-111.6	98.1	538,824.24	768,250.76	32.479139	-103.597483
3,900.0	5.10	138.70	3,893.2	-118.3	103.9	538,817.57	768,256.62	32.479121	-103.597465
4,000.0	5.10	138.70	3,992.8	-125.0	109.8	538,810.90	768,262.48	32.479103	-103.597446
4,059.1	5.10	138.70	4,051.6	-128.9	113.2	538,806.95	768,265.94	32.479092	-103.597435
<b>CPTN_GRID</b>									
4,100.0	5.10	138.70	4,092.4	-131.6	115.6	538,804.22	768,268.34	32.479084	-103.597427
4,200.0	5.10	138.70	4,192.0	-138.3	121.5	538,797.55	768,274.21	32.479066	-103.597408





American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
4,300.0	5.10	138.70	4,291.6	-145.0	127.4	538,790.88	768,280.07	32.479047	-103.597389	
4,400.0	5.10	138.70	4,391.2	-151.6	133.2	538,784.21	768,285.93	32.479029	-103.597370	
4,500.0	5.10	138.70	4,490.8	-158.3	139.1	538,777.53	768,291.79	32.479010	-103.597351	
4,600.0	5.10	138.70	4,590.4	-165.0	145.0	538,770.86	768,297.66	32.478992	-103.597333	
4,700.0	5.10	138.70	4,690.0	-171.7	150.8	538,764.19	768,303.52	32.478973	-103.597314	
4,800.0	5.10	138.70	4,789.6	-178.3	156.7	538,757.51	768,309.38	32.478955	-103.597295	
4,900.0	5.10	138.70	4,889.2	-185.0	162.5	538,750.84	768,315.24	32.478937	-103.597276	
5,000.0	5.10	138.70	4,988.8	-191.7	168.4	538,744.17	768,321.11	32.478918	-103.597257	
5,100.0	5.10	138.70	5,088.4	-198.4	174.3	538,737.50	768,326.97	32.478900	-103.597238	
5,200.0	5.10	138.70	5,188.0	-205.0	180.1	538,730.82	768,332.83	32.478881	-103.597219	
5,300.0	5.10	138.70	5,287.6	-211.7	186.0	538,724.15	768,338.69	32.478863	-103.597200	
5,400.0	5.10	138.70	5,387.2	-218.4	191.9	538,717.48	768,344.56	32.478844	-103.597182	
5,432.3	5.10	138.70	5,419.4	-220.5	193.8	538,715.33	768,346.45	32.478838	-103.597176	
BLCN_GRID										
5,500.0	5.10	138.70	5,486.8	-225.0	197.7	538,710.81	768,350.42	32.478826	-103.597163	
5,600.0	5.10	138.70	5,586.4	-231.7	203.6	538,704.13	768,356.28	32.478807	-103.597144	
5,700.0	5.10	138.70	5,686.0	-238.4	209.4	538,697.46	768,362.14	32.478789	-103.597125	
5,800.0	5.10	138.70	5,785.7	-245.1	215.3	538,690.79	768,368.00	32.478770	-103.597106	
5,900.0	5.10	138.70	5,885.3	-251.7	221.2	538,684.12	768,373.87	32.478752	-103.597087	
6,000.0	5.10	138.70	5,984.9	-258.4	227.0	538,677.44	768,379.73	32.478734	-103.597068	
6,100.0	5.10	138.70	6,084.5	-265.1	232.9	538,670.77	768,385.59	32.478715	-103.597050	
6,200.0	5.10	138.70	6,184.1	-271.8	238.8	538,664.10	768,391.45	32.478697	-103.597031	
6,300.0	5.10	138.70	6,283.7	-278.4	244.6	538,657.43	768,397.32	32.478678	-103.597012	
6,400.0	5.10	138.70	6,383.3	-285.1	250.5	538,650.75	768,403.18	32.478660	-103.596993	
6,500.0	5.10	138.70	6,482.9	-291.8	256.3	538,644.08	768,409.04	32.478641	-103.596974	
6,600.0	5.10	138.70	6,582.5	-298.4	262.2	538,637.41	768,414.90	32.478623	-103.596955	
6,700.0	5.10	138.70	6,682.1	-305.1	268.1	538,630.74	768,420.77	32.478604	-103.596936	
6,800.0	5.10	138.70	6,781.7	-311.8	273.9	538,624.06	768,426.63	32.478586	-103.596918	
6,900.0	5.10	138.70	6,881.3	-318.5	279.8	538,617.39	768,432.49	32.478567	-103.596899	
7,000.0	5.10	138.70	6,980.9	-325.1	285.7	538,610.72	768,438.35	32.478549	-103.596880	
7,100.0	5.10	138.70	7,080.5	-331.8	291.5	538,604.05	768,444.22	32.478531	-103.596861	
7,200.0	5.10	138.70	7,180.1	-338.5	297.4	538,597.37	768,450.08	32.478512	-103.596842	
7,274.7	5.10	138.70	7,254.5	-343.5	301.8	538,592.39	768,454.46	32.478498	-103.596828	
BYCN_GRID										
7,300.0	5.10	138.70	7,279.7	-345.2	303.2	538,590.70	768,455.94	32.478494	-103.596823	
7,400.0	5.10	138.70	7,379.3	-351.8	309.1	538,584.03	768,461.80	32.478475	-103.596804	
7,500.0	5.10	138.70	7,478.9	-358.5	315.0	538,577.36	768,467.67	32.478457	-103.596786	
7,600.0	5.10	138.70	7,578.5	-365.2	320.8	538,570.68	768,473.53	32.478438	-103.596767	
7,700.0	5.10	138.70	7,678.1	-371.8	326.7	538,564.01	768,479.39	32.478420	-103.596748	
7,800.0	5.10	138.70	7,777.7	-378.5	332.6	538,557.34	768,485.25	32.478401	-103.596729	
7,900.0	5.10	138.70	7,877.4	-385.2	338.4	538,550.67	768,491.12	32.478383	-103.596710	
8,000.0	5.10	138.70	7,977.0	-391.9	344.3	538,543.99	768,496.98	32.478365	-103.596691	
8,100.0	5.10	138.70	8,076.6	-398.5	350.1	538,537.32	768,502.84	32.478346	-103.596672	
8,200.0	5.10	138.70	8,176.2	-405.2	356.0	538,530.65	768,508.70	32.478328	-103.596654	
8,300.0	5.10	138.70	8,275.8	-411.9	361.9	538,523.97	768,514.56	32.478309	-103.596635	
8,400.0	5.10	138.70	8,375.4	-418.5	367.7	538,517.30	768,520.43	32.478291	-103.596616	
8,500.0	5.10	138.70	8,475.0	-425.2	373.6	538,510.63	768,526.29	32.478272	-103.596597	
8,600.0	5.10	138.70	8,574.6	-431.9	379.5	538,503.96	768,532.15	32.478254	-103.596578	
8,700.0	5.10	138.70	8,674.2	-438.6	385.3	538,497.28	768,538.01	32.478235	-103.596559	
8,800.0	5.10	138.70	8,773.8	-445.2	391.2	538,490.61	768,543.88	32.478217	-103.596540	
8,890.5	5.10	138.70	8,863.9	-451.3	396.5	538,484.57	768,549.18	32.478200	-103.596523	
BSPG_GRID										
8,900.0	5.10	138.70	8,873.4	-451.9	397.0	538,483.94	768,549.74	32.478198	-103.596522	
9,000.0	5.10	138.70	8,973.0	-458.6	402.9	538,477.27	768,555.60	32.478180	-103.596503	



American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

## Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
9,100.0	5.10	138.70	9,072.6	-465.3	408.8	538,470.59	768,561.46	32.478162	-103.596484
9,200.0	5.10	138.70	9,172.2	-471.9	414.6	538,463.92	768,567.33	32.478143	-103.596465
9,300.0	5.10	138.70	9,271.8	-478.6	420.5	538,457.25	768,573.19	32.478125	-103.596446
9,400.0	5.10	138.70	9,371.4	-485.3	426.4	538,450.58	768,579.05	32.478106	-103.596427
9,500.0	5.10	138.70	9,471.0	-491.9	432.2	538,443.90	768,584.91	32.478088	-103.596408
9,600.0	5.10	138.70	9,570.6	-498.6	438.1	538,437.23	768,590.78	32.478069	-103.596390
9,700.0	5.10	138.70	9,670.2	-505.3	443.9	538,430.56	768,596.64	32.478051	-103.596371
9,800.0	5.10	138.70	9,769.8	-512.0	449.8	538,423.89	768,602.50	32.478032	-103.596352
9,900.0	5.10	138.70	9,869.4	-518.6	455.7	538,417.21	768,608.36	32.478014	-103.596333
9,947.3	5.10	138.70	9,916.6	-521.8	458.4	538,414.05	768,611.14	32.478005	-103.596324
<b>FBSG_GRID</b>									
10,000.0	5.10	138.70	9,969.1	-525.3	461.5	538,410.54	768,614.23	32.477995	-103.596314
10,033.3	5.10	138.70	10,002.2	-527.5	463.5	538,408.32	768,616.18	32.477989	-103.596308
<b>AEP_TARGET_1BS_GRID</b>									
10,100.0	5.10	138.70	10,068.7	-532.0	467.4	538,403.87	768,620.09	32.477977	-103.596295
10,200.0	5.10	138.70	10,168.3	-538.7	473.3	538,397.20	768,625.95	32.477959	-103.596276
10,300.0	5.10	138.70	10,267.9	-545.3	479.1	538,390.52	768,631.81	32.477940	-103.596257
10,345.3	5.10	138.70	10,313.0	-548.4	481.8	538,387.50	768,634.47	32.477932	-103.596249
<b>AEP_TARGET_2CARB_GRID</b>									
10,400.0	5.10	138.70	10,367.5	-552.0	485.0	538,383.85	768,637.68	32.477922	-103.596239
10,500.0	5.10	138.70	10,467.1	-558.7	490.8	538,377.18	768,643.54	32.477903	-103.596220
10,543.4	5.10	138.70	10,510.3	-561.6	493.4	538,374.28	768,646.08	32.477895	-103.596212
<b>SBSG_GRID</b>									
10,587.3	5.10	138.70	10,554.0	-564.5	496.0	538,371.36	768,648.65	32.477887	-103.596203
<b>AEP_TARGET_2BS_EK_UPR_GRID</b>									
10,600.0	5.10	138.70	10,566.7	-565.3	496.7	538,370.51	768,649.40	32.477885	-103.596201
10,700.0	5.10	138.70	10,666.3	-572.0	502.6	538,363.83	768,655.26	32.477866	-103.596182
10,731.2	5.10	138.70	10,697.3	-574.1	504.4	538,361.75	768,657.09	32.477861	-103.596176
<b>Start DLS 12.00 TFO -139.00</b>									
10,750.0	3.70	115.08	10,716.1	-575.0	505.5	538,360.87	768,658.19	32.477858	-103.596173
10,770.6	3.45	74.87	10,736.6	-575.1	506.7	538,360.75	768,659.39	32.477858	-103.596169
<b>AEP_TARGET_2BS_EK_LWR_GRID</b>									
10,775.0	3.63	66.71	10,741.1	-575.0	507.0	538,360.84	768,659.65	32.477858	-103.596168
10,800.0	5.53	36.67	10,766.0	-573.7	508.4	538,362.12	768,661.09	32.477862	-103.596163
10,825.0	8.12	23.73	10,790.8	-571.2	509.8	538,364.70	768,662.52	32.477869	-103.596158
10,850.0	10.93	17.19	10,815.5	-567.3	511.2	538,368.58	768,663.94	32.477879	-103.596154
10,875.0	13.81	13.32	10,839.9	-562.1	512.6	538,373.75	768,665.32	32.477893	-103.596149
10,900.0	16.74	10.78	10,864.0	-555.7	514.0	538,380.19	768,666.68	32.477911	-103.596145
10,925.0	19.68	8.98	10,887.7	-548.0	515.3	538,387.89	768,668.02	32.477932	-103.596140
10,950.0	22.64	7.63	10,911.1	-539.0	516.6	538,396.82	768,669.31	32.477957	-103.596136
10,975.0	25.61	6.58	10,933.9	-528.9	517.9	538,406.96	768,670.57	32.477985	-103.596131
11,000.0	28.59	5.73	10,956.1	-517.6	519.1	538,418.28	768,671.79	32.478016	-103.596127
11,007.1	29.44	5.52	10,962.3	-514.1	519.4	538,421.71	768,672.13	32.478025	-103.596126
<b>AEP_TARGET_2BS_EN_GRID</b>									
11,025.0	31.57	5.04	10,977.7	-505.1	520.3	538,430.75	768,672.96	32.478050	-103.596123
11,050.0	34.55	4.45	10,998.7	-491.5	521.4	538,444.34	768,674.08	32.478087	-103.596119
11,075.0	37.54	3.94	11,018.9	-476.8	522.5	538,459.01	768,675.16	32.478128	-103.596115
11,075.1	37.54	3.94	11,019.0	-476.8	522.5	538,459.06	768,675.16	32.478128	-103.596115
<b>TBSGU_GRID</b>									
11,100.0	40.52	3.50	11,038.3	-461.1	523.5	538,474.72	768,676.18	32.478171	-103.596112
11,125.0	43.51	3.11	11,056.9	-444.4	524.4	538,491.42	768,677.14	32.478217	-103.596108
11,150.0	46.50	2.76	11,074.6	-426.8	525.3	538,509.08	768,678.05	32.478265	-103.596105
11,175.0	49.49	2.44	11,091.3	-408.2	526.2	538,527.63	768,678.89	32.478316	-103.596102



American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

## Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
11,200.0	52.48	2.15	11,107.0	-388.8	527.0	538,547.04	768,679.67	32.478369	-103.596099
11,225.0	55.48	1.89	11,121.7	-368.6	527.7	538,567.25	768,680.38	32.478425	-103.596096
11,250.0	58.47	1.64	11,135.4	-347.7	528.3	538,588.19	768,681.02	32.478483	-103.596093
11,275.0	61.46	1.40	11,147.9	-326.0	528.9	538,609.83	768,681.60	32.478542	-103.596091
11,296.9	64.08	1.21	11,157.9	-306.6	529.3	538,629.27	768,682.04	32.478595	-103.596089
<b>AEP_TARGET_3CARB_SND_GRID</b>									
11,300.0	64.46	1.18	11,159.2	-303.8	529.4	538,632.09	768,682.10	32.478603	-103.596089
11,325.0	67.45	0.97	11,169.4	-280.9	529.8	538,654.91	768,682.53	32.478666	-103.596087
11,350.0	70.44	0.77	11,178.4	-257.6	530.2	538,678.23	768,682.88	32.478730	-103.596085
11,375.0	73.44	0.58	11,186.2	-233.9	530.5	538,702.00	768,683.16	32.478795	-103.596084
11,400.0	76.43	0.39	11,192.7	-209.7	530.7	538,726.14	768,683.37	32.478862	-103.596083
11,425.0	79.43	0.21	11,197.9	-185.3	530.8	538,750.58	768,683.50	32.478929	-103.596082
11,450.0	82.42	0.03	11,201.8	-160.6	530.9	538,775.26	768,683.55	32.478997	-103.596081
11,475.0	85.42	359.85	11,204.5	-135.7	530.8	538,800.12	768,683.52	32.479065	-103.596081
11,500.0	88.41	359.68	11,205.8	-110.8	530.7	538,825.08	768,683.42	32.479134	-103.596080
11,513.3	90.00	359.59	11,206.0	-97.5	530.6	538,838.34	768,683.34	32.479170	-103.596080
<b>Start 10356.2 hold at 11513.3 MD - FTP (BS 912H)</b>									
11,600.0	90.00	359.59	11,206.0	-10.8	530.0	538,925.08	768,682.71	32.479408	-103.596080
11,700.0	90.00	359.59	11,206.0	89.2	529.3	539,025.07	768,681.99	32.479683	-103.596081
11,800.0	90.00	359.59	11,206.0	189.2	528.6	539,125.07	768,681.26	32.479958	-103.596081
11,900.0	90.00	359.59	11,206.0	289.2	527.8	539,225.07	768,680.54	32.480233	-103.596081
12,000.0	90.00	359.59	11,206.0	389.2	527.1	539,325.07	768,679.82	32.480508	-103.596081
12,100.0	90.00	359.59	11,206.0	489.2	526.4	539,425.06	768,679.10	32.480783	-103.596081
12,200.0	90.00	359.59	11,206.0	589.2	525.7	539,525.06	768,678.37	32.481058	-103.596081
12,300.0	90.00	359.59	11,206.0	689.2	525.0	539,625.06	768,677.65	32.481332	-103.596081
12,400.0	90.00	359.59	11,206.0	789.2	524.2	539,725.06	768,676.93	32.481607	-103.596081
12,500.0	90.00	359.59	11,206.0	889.2	523.5	539,825.05	768,676.21	32.481882	-103.596081
12,600.0	90.00	359.59	11,206.0	989.2	522.8	539,925.05	768,675.48	32.482157	-103.596081
12,700.0	90.00	359.59	11,206.0	1,089.2	522.1	540,025.05	768,674.76	32.482432	-103.596082
12,800.0	90.00	359.59	11,206.0	1,189.2	521.3	540,125.05	768,674.04	32.482707	-103.596082
12,900.0	90.00	359.59	11,206.0	1,289.2	520.6	540,225.04	768,673.31	32.482982	-103.596082
13,000.0	90.00	359.59	11,206.0	1,389.2	519.9	540,325.04	768,672.59	32.483257	-103.596082
13,100.0	90.00	359.59	11,206.0	1,489.2	519.2	540,425.04	768,671.87	32.483531	-103.596082
13,200.0	90.00	359.59	11,206.0	1,589.2	518.4	540,525.04	768,671.15	32.483806	-103.596082
13,300.0	90.00	359.59	11,206.0	1,689.2	517.7	540,625.03	768,670.42	32.484081	-103.596082
13,400.0	90.00	359.59	11,206.0	1,789.2	517.0	540,725.03	768,669.70	32.484356	-103.596082
13,500.0	90.00	359.59	11,206.0	1,889.2	516.3	540,825.03	768,668.98	32.484631	-103.596082
13,600.0	90.00	359.59	11,206.0	1,989.2	515.6	540,925.02	768,668.26	32.484906	-103.596083
13,700.0	90.00	359.59	11,206.0	2,089.2	514.8	541,025.02	768,667.53	32.485181	-103.596083
13,800.0	90.00	359.59	11,206.0	2,189.2	514.1	541,125.02	768,666.81	32.485455	-103.596083
13,900.0	90.00	359.59	11,206.0	2,289.2	513.4	541,225.02	768,666.09	32.485730	-103.596083
14,000.0	90.00	359.59	11,206.0	2,389.2	512.7	541,325.01	768,665.36	32.486005	-103.596083
14,100.0	90.00	359.59	11,206.0	2,489.2	511.9	541,425.01	768,664.64	32.486280	-103.596083
14,200.0	90.00	359.59	11,206.0	2,589.2	511.2	541,525.01	768,663.92	32.486555	-103.596083
14,300.0	90.00	359.59	11,206.0	2,689.2	510.5	541,625.01	768,663.20	32.486830	-103.596083
14,400.0	90.00	359.59	11,206.0	2,789.2	509.8	541,725.00	768,662.47	32.487105	-103.596083
14,500.0	90.00	359.59	11,206.0	2,889.1	509.1	541,825.00	768,661.75	32.487379	-103.596083
14,600.0	90.00	359.59	11,206.0	2,989.1	508.3	541,925.00	768,661.03	32.487654	-103.596084
14,700.0	90.00	359.59	11,206.0	3,089.1	507.6	542,025.00	768,660.31	32.487929	-103.596084
14,800.0	90.00	359.59	11,206.0	3,189.1	506.9	542,124.99	768,659.58	32.488204	-103.596084
14,900.0	90.00	359.59	11,206.0	3,289.1	506.2	542,224.99	768,658.86	32.488479	-103.596084
15,000.0	90.00	359.59	11,206.0	3,389.1	505.4	542,324.99	768,658.14	32.488754	-103.596084
15,100.0	90.00	359.59	11,206.0	3,489.1	504.7	542,424.99	768,657.41	32.489029	-103.596084
15,200.0	90.00	359.59	11,206.0	3,589.1	504.0	542,524.98	768,656.69	32.489303	-103.596084



American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

## Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
15,300.0	90.00	359.59	11,206.0	3,689.1	503.3	542,624.98	768,655.97	32.489578	-103.596084
15,400.0	90.00	359.59	11,206.0	3,789.1	502.5	542,724.98	768,655.25	32.489853	-103.596084
15,500.0	90.00	359.59	11,206.0	3,889.1	501.8	542,824.98	768,654.52	32.490128	-103.596084
15,600.0	90.00	359.59	11,206.0	3,989.1	501.1	542,924.97	768,653.80	32.490403	-103.596085
15,700.0	90.00	359.59	11,206.0	4,089.1	500.4	543,024.97	768,653.08	32.490678	-103.596085
15,800.0	90.00	359.59	11,206.0	4,189.1	499.7	543,124.97	768,652.35	32.490953	-103.596085
15,900.0	90.00	359.59	11,206.0	4,289.1	498.9	543,224.96	768,651.63	32.491228	-103.596085
16,000.0	90.00	359.59	11,206.0	4,389.1	498.2	543,324.96	768,650.91	32.491502	-103.596085
16,100.0	90.00	359.59	11,206.0	4,489.1	497.5	543,424.96	768,650.19	32.491777	-103.596085
16,200.0	90.00	359.59	11,206.0	4,589.1	496.8	543,524.96	768,649.46	32.492052	-103.596085
16,300.0	90.00	359.59	11,206.0	4,689.1	496.0	543,624.95	768,648.74	32.492327	-103.596085
16,400.0	90.00	359.59	11,206.0	4,789.1	495.3	543,724.95	768,648.02	32.492602	-103.596085
16,500.0	90.00	359.59	11,206.0	4,889.1	494.6	543,824.95	768,647.30	32.492877	-103.596085
16,600.0	90.00	359.59	11,206.0	4,989.1	493.9	543,924.95	768,646.57	32.493152	-103.596086
16,700.0	90.00	359.59	11,206.0	5,089.1	493.2	544,024.94	768,645.85	32.493426	-103.596086
16,800.0	90.00	359.59	11,206.0	5,189.1	492.4	544,124.94	768,645.13	32.493701	-103.596086
16,900.0	90.00	359.59	11,206.0	5,289.1	491.7	544,224.94	768,644.40	32.493976	-103.596086
17,000.0	90.00	359.59	11,206.0	5,389.1	491.0	544,324.94	768,643.68	32.494251	-103.596086
17,100.0	90.00	359.59	11,206.0	5,489.1	490.3	544,424.93	768,642.96	32.494526	-103.596086
17,200.0	90.00	359.59	11,206.0	5,589.1	489.5	544,524.93	768,642.24	32.494801	-103.596086
17,300.0	90.00	359.59	11,206.0	5,689.1	488.8	544,624.93	768,641.51	32.495076	-103.596086
17,400.0	90.00	359.59	11,206.0	5,789.1	488.1	544,724.93	768,640.79	32.495350	-103.596086
17,500.0	90.00	359.59	11,206.0	5,889.1	487.4	544,824.92	768,640.07	32.495625	-103.596087
17,600.0	90.00	359.59	11,206.0	5,989.1	486.6	544,924.92	768,639.35	32.495900	-103.596087
17,700.0	90.00	359.59	11,206.0	6,089.1	485.9	545,024.92	768,638.62	32.496175	-103.596087
17,800.0	90.00	359.59	11,206.0	6,189.1	485.2	545,124.92	768,637.90	32.496450	-103.596087
17,900.0	90.00	359.59	11,206.0	6,289.1	484.5	545,224.91	768,637.18	32.496725	-103.596087
18,000.0	90.00	359.59	11,206.0	6,389.1	483.8	545,324.91	768,636.45	32.497000	-103.596087
18,100.0	90.00	359.59	11,206.0	6,489.1	483.0	545,424.91	768,635.73	32.497275	-103.596087
18,200.0	90.00	359.59	11,206.0	6,589.1	482.3	545,524.90	768,635.01	32.497549	-103.596087
18,300.0	90.00	359.59	11,206.0	6,689.0	481.6	545,624.90	768,634.29	32.497824	-103.596087
18,400.0	90.00	359.59	11,206.0	6,789.0	480.9	545,724.90	768,633.56	32.498099	-103.596087
18,500.0	90.00	359.59	11,206.0	6,889.0	480.1	545,824.90	768,632.84	32.498374	-103.596088
18,600.0	90.00	359.59	11,206.0	6,989.0	479.4	545,924.89	768,632.12	32.498649	-103.596088
18,700.0	90.00	359.59	11,206.0	7,089.0	478.7	546,024.89	768,631.40	32.498924	-103.596088
18,800.0	90.00	359.59	11,206.0	7,189.0	478.0	546,124.89	768,630.67	32.499199	-103.596088
18,900.0	90.00	359.59	11,206.0	7,289.0	477.3	546,224.89	768,629.95	32.499473	-103.596088
19,000.0	90.00	359.59	11,206.0	7,389.0	476.5	546,324.88	768,629.23	32.499748	-103.596088
19,100.0	90.00	359.59	11,206.0	7,489.0	475.8	546,424.88	768,628.50	32.500023	-103.596088
19,200.0	90.00	359.59	11,206.0	7,589.0	475.1	546,524.88	768,627.78	32.500298	-103.596088
19,300.0	90.00	359.59	11,206.0	7,689.0	474.4	546,624.88	768,627.06	32.500573	-103.596088
19,400.0	90.00	359.59	11,206.0	7,789.0	473.6	546,724.87	768,626.34	32.500848	-103.596088
19,500.0	90.00	359.59	11,206.0	7,889.0	472.9	546,824.87	768,625.61	32.501123	-103.596089
19,600.0	90.00	359.59	11,206.0	7,989.0	472.2	546,924.87	768,624.89	32.501397	-103.596089
19,700.0	90.00	359.59	11,206.0	8,089.0	471.5	547,024.87	768,624.17	32.501672	-103.596089
19,800.0	90.00	359.59	11,206.0	8,189.0	470.7	547,124.86	768,623.45	32.501947	-103.596089
19,900.0	90.00	359.59	11,206.0	8,289.0	470.0	547,224.86	768,622.72	32.502222	-103.596089
20,000.0	90.00	359.59	11,206.0	8,389.0	469.3	547,324.86	768,622.00	32.502497	-103.596089
20,100.0	90.00	359.59	11,206.0	8,489.0	468.6	547,424.86	768,621.28	32.502772	-103.596089
20,200.0	90.00	359.59	11,206.0	8,589.0	467.9	547,524.85	768,620.55	32.503047	-103.596089
20,300.0	90.00	359.59	11,206.0	8,689.0	467.1	547,624.85	768,619.83	32.503321	-103.596089
20,400.0	90.00	359.59	11,206.0	8,789.0	466.4	547,724.85	768,619.11	32.503596	-103.596089
20,500.0	90.00	359.59	11,206.0	8,889.0	465.7	547,824.84	768,618.39	32.503871	-103.596090
20,600.0	90.00	359.59	11,206.0	8,989.0	465.0	547,924.84	768,617.66	32.504146	-103.596090
20,700.0	90.00	359.59	11,206.0	9,089.0	464.2	548,024.84	768,616.94	32.504421	-103.596090



American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
20,800.0	90.00	359.59	11,206.0	9,189.0	463.5	548,124.84	768,616.22	32.504696	-103.596090	
20,900.0	90.00	359.59	11,206.0	9,289.0	462.8	548,224.83	768,615.49	32.504971	-103.596090	
21,000.0	90.00	359.59	11,206.0	9,389.0	462.1	548,324.83	768,614.77	32.505246	-103.596090	
21,100.0	90.00	359.59	11,206.0	9,489.0	461.4	548,424.83	768,614.05	32.505520	-103.596090	
21,200.0	90.00	359.59	11,206.0	9,589.0	460.6	548,524.83	768,613.33	32.505795	-103.596090	
21,300.0	90.00	359.59	11,206.0	9,689.0	459.9	548,624.82	768,612.60	32.506070	-103.596090	
21,400.0	90.00	359.59	11,206.0	9,789.0	459.2	548,724.82	768,611.88	32.506345	-103.596090	
21,500.0	90.00	359.59	11,206.0	9,889.0	458.5	548,824.82	768,611.16	32.506620	-103.596091	
21,600.0	90.00	359.59	11,206.0	9,989.0	457.7	548,924.82	768,610.44	32.506895	-103.596091	
21,700.0	90.00	359.59	11,206.0	10,089.0	457.0	549,024.81	768,609.71	32.507170	-103.596091	
21,800.0	90.00	359.59	11,206.0	10,189.0	456.3	549,124.81	768,608.99	32.507444	-103.596091	
21,869.4	90.00	359.59	11,206.0	10,258.4	455.8	549,194.22	768,608.49	32.507635	-103.596091	
LTP (BS 912H)										
21,869.5	90.00	359.59	11,206.0	10,258.4	455.8	549,194.28	768,608.49	32.507635	-103.596091	
Start 49.9 hold at 21869.5 MD										
21,900.0	90.00	359.59	11,206.0	10,289.0	455.6	549,224.81	768,608.27	32.507719	-103.596091	
21,919.4	90.00	359.59	11,206.0	10,308.4	455.4	549,244.22	768,608.13	32.507773	-103.596091	
TD at 21919.4 - BHL (BS 912H)										

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	
FTP (BS 912H) - plan hits target center - Point	0.00	0.00	11,206.0	-97.5	530.6	538,838.34	768,683.34	32.479170	-103.596080	
LTP (BS 912H) - plan hits target center - Point	0.00	0.00	11,206.0	10,258.4	455.8	549,194.22	768,608.48	32.507635	-103.596091	
BHL (BS 912H) - plan hits target center - Point	0.00	0.00	11,206.0	10,308.4	455.4	549,244.22	768,608.13	32.507773	-103.596091	



American Resource Development LLC

## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well BECKNELL 21-31-17 STATE COM912H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27 @ 3816.0usft
<b>Project:</b>	Hat Mesa	<b>MD Reference:</b>	KB=27 @ 3816.0usft
<b>Site:</b>	Becknell State Com - C Pad	<b>North Reference:</b>	Grid
<b>Well:</b>	BECKNELL 21-31-17 STATE COM 912H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PRELIM1		

## Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,704.6	1,704.6	RSLR_GRID		0.00	
2,109.3	2,109.3	SLDO_GRID		0.00	
3,603.2	3,597.5	TNSL_GRID		0.00	
4,059.1	4,051.6	CPTN_GRID			
5,432.3	5,419.4	BLCN_GRID			
7,274.7	7,254.5	BYCN_GRID			
8,890.5	8,863.9	BSPG_GRID			
9,947.3	9,916.6	FBSG_GRID			
10,033.3	10,002.2	AEP_TARGET_1BS_GRID			
10,345.3	10,313.0	AEP_TARGET_2CARB_GRID			
10,543.4	10,510.3	SBSG_GRID			
10,587.3	10,554.0	AEP_TARGET_2BS_EK_UPR_GRI			
10,770.6	10,736.6	AEP_TARGET_2BS_EK_LWR_GRI			
11,007.1	10,962.3	AEP_TARGET_2BS_EN_GRID			
11,075.1	11,019.0	TBSGU_GRID			
11,296.9	11,157.9	AEP_TARGET_3CARB_SND_GRID			

## Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
2,000.0	2,000.0	0.0	0.0	Start Build 2.00
2,254.8	2,254.5	-8.5	7.5	Start 8476.4 hold at 2254.8 MD
10,731.2	10,697.3	-574.1	504.4	Start DLS 12.00 TFO -139.00
11,513.3	11,206.0	-97.5	530.6	Start 10356.2 hold at 11513.3 MD
21,869.5	11,206.0	10,258.4	455.8	Start 49.9 hold at 21869.5 MD
21,919.4	11,206.0	10,308.4	455.4	TD at 21919.4





2901 Via Fortuna, Suite 600, Austin, Texas 78746 • Phone 832-672-4700 • Fax 832-672-4609

September 9, 2022

Mr. Paul Kautz, Hobbs District Geologist  
Energy Minerals Natural Resources Dept.  
Oil Conservation Division  
1625 N. French Dr.  
Hobbs, New Mexico 88240

Re: Advance Energy Partners Hat Mesa, LLC (OGRID No. 372417)  
Proposed Well APDs- Becknell Wells  
State Land in Section 17, T21S-R33E  
Lea County, New Mexico

Dear Mr. Kautz,

This letter is to confirm that there are no active potash leases within a 1-mile radius of the SHLs of the Becknell 21-33-17 State Com wells in Section 17, Township 21 South, Range 33 East, Lea County, New Mexico.

**Becknell 21-33-17 State Com Wells:**

**Becknell 21-33-17 State Com #71H**

- The surface location is located 2,437 feet from the north line and 700 feet from the west line (Unit E) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 330 feet from the west line (Unit L) of Section 5.

**Becknell 21-33-17 State Com #72H**

- The surface location is located 2,437 feet from the north line and 1,700 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,973 feet from the west line (Unit K) of Section 5.

**Becknell 21-33-17 State Com #73H**

- The surface location is located 2,439 feet from the north line and 2,033 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,430 feet from the east line (Unit J) of Section 5.

**Becknell 21-33-17 State Com #91H**

- The surface location is located 2,437 feet from the north line and 760 feet from the west line (Unit E) of Section 17

- The bottom hole location is located 2,589 feet from the south line and 330 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #92H

- The surface location is located 2,437 feet from the north line and 1,640 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,090 feet from the west line (Unit K) of Section 5.

Becknell 21-33-17 State Com #93H

- The surface location is located 2,440 feet from the north line and 810 feet from the east line (Unit H) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,430 feet from the east line (Unit J) of Section 5.

Becknell 21-33-17 State Com #111H

- The surface location is located 2,437 feet from the north line and 1,620 feet from the west line (Unit F) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 1,210 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #113H

- The surface location is located 2,439 feet from the north line and 2,073 feet from the east line (Unit G) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 2,304 feet from the east line (Unit J) of Section 5.

Becknell 21-33-17 State Com #114H

- The surface location is located 2,440 feet from the north line and 790 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 550 feet from the east line (Unit I) of Section 5.

Becknell 21-33-17 State Com #811H

- The surface location is located 2,437 feet from the north line and 800 feet from the west line (Unit E) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,210 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #813H

- The surface location is located 2,439 feet from the north line and 2,133 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,304 feet from the east line (Unit J) of Section 5.

Becknell 21-33-17 State Com #814H

- The surface location is located 2,440 feet from the north line and 730 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 550 feet from the east line (Unit I ) of Section 5.

Becknell 21-33-17 State Com #821H

- The surface location is located 2,437 feet from the north line and 720 feet from the west line (Unit E) of Section 17.
- The bottom hole location is located 2,589 feet from the south line and 330 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #822H

- The surface location is located 2,437 feet from the north line and 1,680 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,090 feet from the west line (Unit K) of Section 5.

Becknell 21-33-17 State Com #823H

- The surface location is located 2,439 feet from the north line and 2,053 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,430 feet from the east line (Unit J) of Section 5.

Becknell 21-33-17 State Com #831H

- The surface location is located 2,437 feet from the north line and 780 feet from the west line (Unit E) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 1,210 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #833H

- The surface location is located 2,439 feet from the north line and 2,113 feet from the east line (Unit G) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,304 feet from the east line (Unit J) of Section 5.

Becknell 21-33-17 State Com #834H

- The surface location is located 2,440 feet from the north line and 750 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 550 feet from the east line (Unit I) of Section 5.

Becknell 21-33-17 State Com #911H

- The surface location is located 2,437 feet from the north line and 740 feet from the west line (Unit E) of Section 17



- The bottom hole location is located 2,589 feet from the south line and 430 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #912H

- The surface location is located 2,437 feet from the north line and 1,660 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 2,190 feet from the west line (Unit K) of Section 5.

Becknell 21-33-17 State Com #913H

- The surface location is located 2,440 feet from the north line and 830 feet from the east line (Unit H) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,330 feet from the east line (Unit J) of Section 5.

Becknell 21-33-17 State Com #921H

- The surface location is located 2,437 feet from the north line and 1,600 feet from the west line (Unit F) of Section 17.
- The bottom hole location is located 2,588 feet from the south line and 1,310 feet from the west line (Unit L) of Section 5.

Becknell 21-33-17 State Com #923H

- The surface location is located 2,439 feet from the north line and 2,093 feet from the east line (Unit G) of Section 17
- The bottom hole location is located 2,588 feet from the south line and 2,204 feet from the east line (Unit J) of Section 5.

Boone 21-33-16 State Com #924H

- The surface location is located 2,440 feet from the north line and 770 feet from the east line (Unit H) of Section 17
- The bottom hole location is located 2,589 feet from the south line and 450 feet from the east line (Unit I) of Section 5.

If you have any questions about this letter, please contact me by phone at 737-444-2997 or email at [LLaufer@ameredev.com](mailto:LLaufer@ameredev.com).

Sincerely,



Lizzy Laufer

Landman

Advance Energy Partners Hat Mesa, LLC

Email: [LLaufer@ameredev.com](mailto:LLaufer@ameredev.com)

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
BECKNELL 21-33-17 State Com 072H	30-025-	F-17-21S-33E	2437' FNL & 1700' FWL	1000	1600	3300
BECKNELL 21-33-17 State Com 092H	30-025-	F-17-21S-33E	2437' FNL & 1640' FWL	1000	1600	3300
BECKNELL 21-33-17 State Com 111H	30-025-	F-17-21S-33E	2437' FNL & 1620' FWL	1000	1600	3300
BECKNELL 21-33-17 State Com 822H	30-025-	F-17-21S-33E	2437' FNL & 1680' FWL	1000	1600	3300
BECKNELL 21-33-17 State Com 912H	30-025-	F-17-21S-33E	2437' FNL & 1660' FWL	1000	1600	3300
BECKNELL 21-33-17 State Com 921H	30-025-	F-17-21S-33E	2437' FNL & 1600' FWL	1000	1600	3300

**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
BECKNELL 21-33-17 State Com 072H	30-025-	4/5/2023	4/25/2023	8/21/2022	10/11/2022	10/14/2022
BECKNELL 21-33-17 State Com 092H	30-025-	6/10/2023	6/30/2023	8/21/2022	10/11/2022	10/14/2022
BECKNELL 21-33-17 State Com 111H	30-025-	7/2/2023	7/22/2023	8/21/2022	10/11/2022	10/14/2022
BECKNELL 21-33-17 State Com 822H	30-025-	4/27/2023	5/17/2023	8/21/2022	10/11/2022	10/14/2022
BECKNELL 21-33-17 State Com 912H	30-025-	5/19/2023	6/8/2023	8/21/2022	10/11/2022	10/14/2022
BECKNELL 21-33-17 State Com 921H	30-025-	7/24/2023	8/13/2023	8/21/2022	10/11/2022	10/14/2022

**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: <i>Dayeed Khan</i>
Printed Name: Dayeed Khan
Title: Engineer
E-mail Address: dkhan@ameredev.com
Date: 08/23/2022
Phone: 737-300-4735
<b>OIL CONSERVATION DIVISION</b> <b>(Only applicable when submitted as a standalone form)</b>
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/H<sub>2</sub>S 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