

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

Form C-101
August 1, 2011

Permit 332615

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

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

1. Operator Name and Address BAM Permian Operating, LLC 4416 Briarwood Ave Midland, TX 79707		2. OGRID Number 328565
		3. API Number 30-005-64378
4. Property Code 333711	5. Property Name LINLEY B STATE	6. Well No. 001H

7. Surface Location

UL - Lot O	Section 32	Township 15S	Range 29E	Lot Idn	Feet From 200	N/S Line S	Feet From 1930	E/W Line E	County Chaves
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8. Proposed Bottom Hole Location

UL - Lot B	Section 32	Township 15S	Range 29E	Lot Idn B	Feet From 30	N/S Line N	Feet From 2030	E/W Line E	County Chaves
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9. Pool Information

ROUND TANK;SAN ANDRES	52770
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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 3762
16. Multiple N	17. Proposed Depth 7906	18. Formation San Andres	19. Contractor	20. Spud Date 3/15/2023
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	48	350	390	0
Int1	12.25	9.625	36	1500	550	0
Prod	8.75	7	26	3340	510	0
Prod	8.75	5.5	17	7906	510	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	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 ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature:

Printed Name: Electronically filed by Blake A Morpew

Title: Managing Member

Email Address: blake@bampermian.com

Date: 1/17/2023

Phone: 432-242-8851

OIL CONSERVATION DIVISION

Approved By: Katherine Pickford

Title: Geoscientist

Approved Date: 1/19/2023 Expiration Date: 1/19/2025

Conditions of Approval Attached

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DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 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, N.M. 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005- 64378		² Pool Code 52770		³ Pool Name ROUND TANK; SAN ANDRES	
⁴ Property Code 333711		⁵ Property Name LINLEY B STATE			⁶ Well Number 00IH
⁷ GRID No. 328565		⁸ Operator Name BAM PERMIAN OPERATING, LLC			⁹ Elevation 3762.4

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	15 S	29 E		200	SOUTH	1930	EAST	CHAVES

¹¹ 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
B	32	15 S	29 E		30	NORTH	2030	EAST	CHAVES

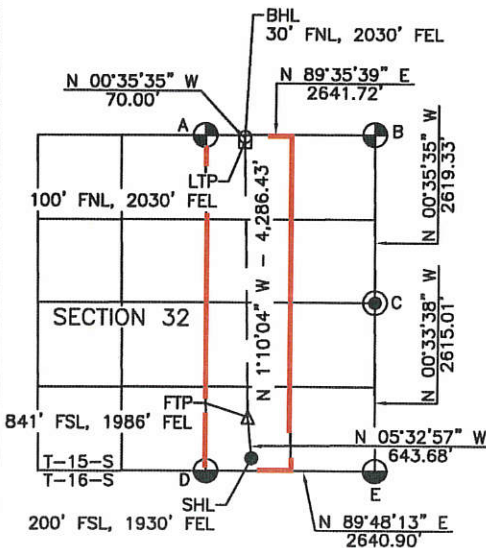
¹² Dedicated Acres 160.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

Legend:

- = SURFACE LOCATION (SHL)
- = BOTTOM HOLE LOCATION (BHL)
- △ = FIRST TAKE POINT (FTP)
- = LAST TAKE POINT (LTP)
- ⊕ = FOUND 1946 USGLO BRASS CAP
- ⊙ = FOUND 1916 USGLO BRASS CAP
- ⊗ = FOUND 1" IRON ROD



SCALE: 1"=3000'

SURFACE LOCATION

NAD 83 NME, NMSPC ZONE 3001
Y= 715261.46 N
X= 628723.49 E
LAT: 32.9659363° N
LONG: 104.0484052° W

FIRST TAKE POINT

NAD 83 NME, NMSPC ZONE 3001
841' FSL, 1986' FEL
SEC. 32, T15S, R29E
Y= 715902.13 N
X= 628661.24 E
LAT: 32.9676976° N
LONG: 104.0486025° W

LAST TAKE POINT

NAD 83 NME, NMSPC ZONE 3001
100' FNL, 2030' FEL
SEC. 32, T15S, R29E
Y= 720187.67 N
X= 628573.88 E
LAT: 32.9794773° N
LONG: 104.0488496° W

BOTTOM HOLE LOCATION

NAD 83 NME, NMSPC ZONE 3001
Y= 720257.66 N
X= 628573.15 E
LAT: 32.9796697° N
LONG: 104.0488513° W

CORNER COORDINATES TABLE

NAD 83 NME, NMSPC ZONE 3001

A - Y= 720283.33 N, X= 627961.16 E
B - Y= 720302.04 N, X= 630602.80 E
C - Y= 717682.85 N, X= 630629.91 E
D - Y= 715058.91 N, X= 628014.62 E
E - Y= 715067.96 N, X= 630655.50 E

CORNER COORDINATES TABLE

NAD 83 NME, NMSPC ZONE 3001

A - LAT.=32.9797447° N, LONG.=104.0508469° W
B - LAT.=32.9797764° N, LONG.=104.0422322° W
C - LAT.=32.9725772° N, LONG.=104.0421674° W
D - LAT.=32.9653848° N, LONG.=104.0507182° W
E - LAT.=32.9653899° N, LONG.=104.0421075° W

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including 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.

Brian Wood
Signature

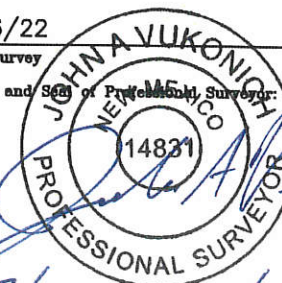
1-16-23
DateBRIAN WOOD
Printed Namebrian@permitswest.com
E-mail Address505 466-8120
E-mail Address

18 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.

5/16/22
Date of Survey

John Vukonic
Signature and Seal of Professional Surveyor

14831
Certificate Number

1/13/2023

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Form APD Conditions

Permit 332615

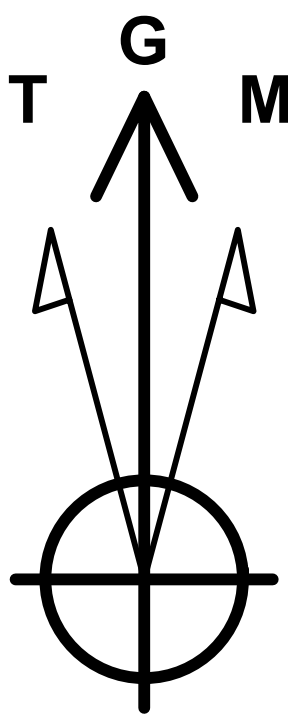
PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: BAM Permian Operating, LLC [328565] 4416 Briarwood Ave Midland, TX 79707	API Number: 30-005-64378
	Well: LINLEY B STATE #001H

OCD Reviewer	Condition
kpickford	Notify OCD 24 hours prior to casing & cement
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104
kpickford	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
kpickford	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
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing
kpickford	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
kpickford	If the LTP is closer than 100' to spacing unit boundary, an NSL, Non-standard location, will be required.

BAM Permian Operating, LLC

Company: BAM Permian Operating, LLC
Field: Chaves County, NM
Location: Linley B State 1H
Well: Linley B State 1H
Wellbore: OH
Plan: Plan 1
GL: GL 3762' @ 3762.00usft



Azimuths to Grid North
True North: -0.16°
Magnetic North: 6.49°

Magnetic Field
Strength: 47718.3nT
Dip Angle: 60.45°
Date: 1/4/2023
Model: IGRF2020



To convert a Magnetic Direction to a Grid Direction, Add 6.49°

PROJECT DETAILS: Chaves County, NM

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level

WELL DETAILS: Linley B State 1H

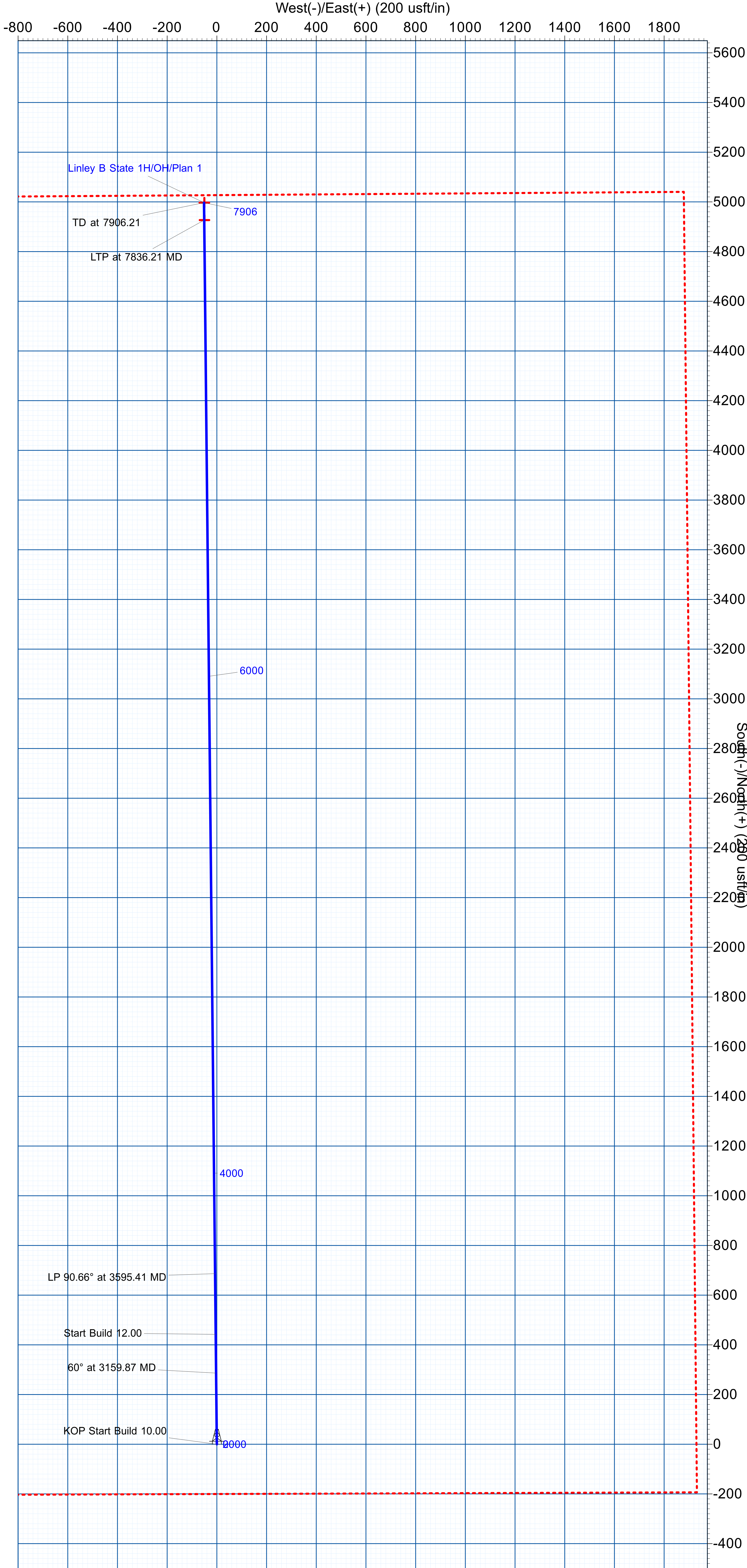
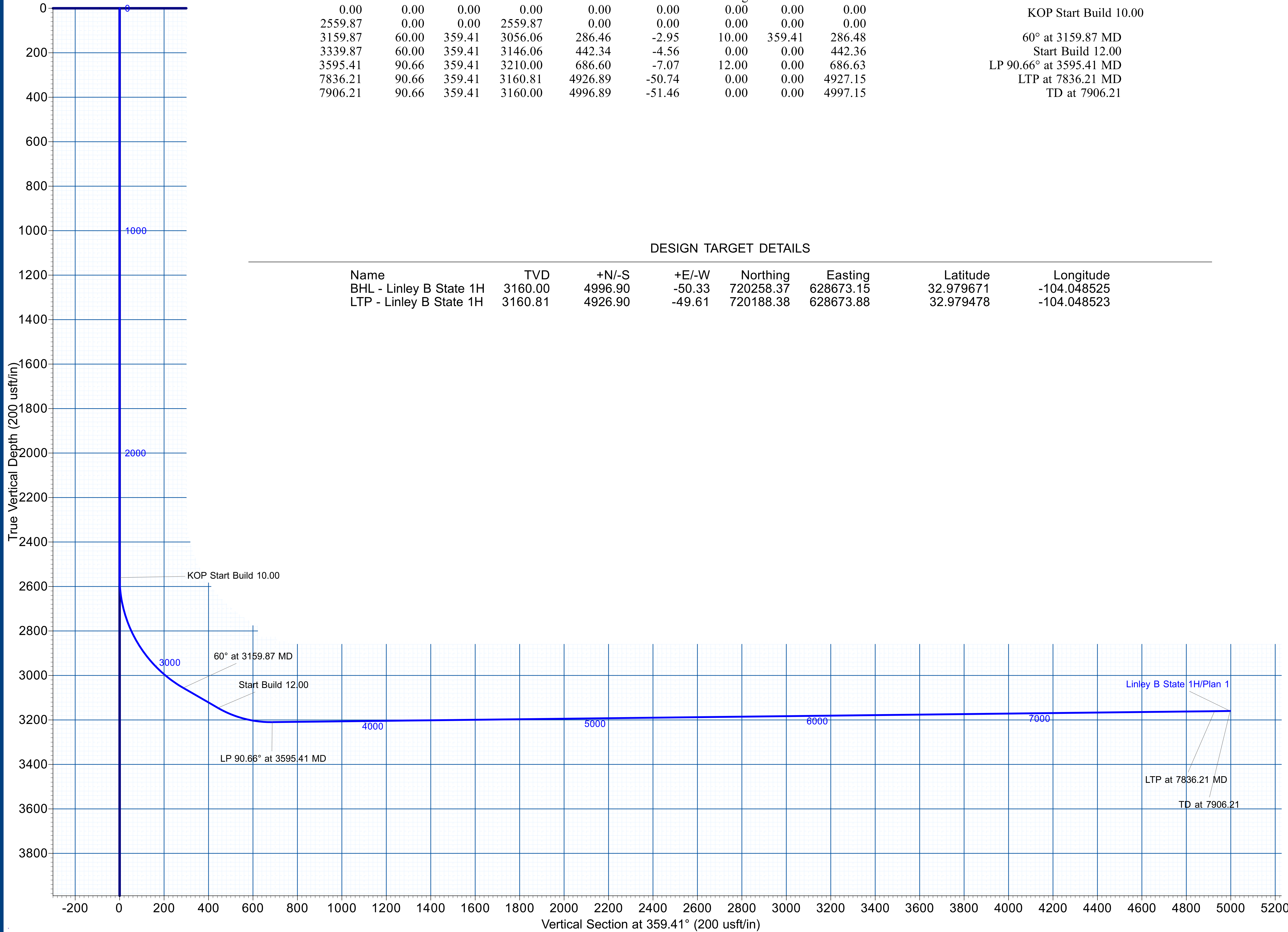
GL 3762' @ 3762.00usft3762.00					
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	715261.47	628723.48	32.965936	-104.048405

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	KOP Start Build 10.00
2559.87	0.00	0.00	2559.87	0.00	0.00	0.00	0.00	0.00	
3159.87	60.00	359.41	3056.06	286.46	-2.95	10.00	359.41	286.48	60° at 3159.87 MD
3339.87	60.00	359.41	3146.06	442.34	-4.56	0.00	0.00	442.36	Start Build 12.00
3595.41	90.66	359.41	3210.00	686.60	-7.07	12.00	0.00	686.63	LP 90.66° at 3595.41 MD
7836.21	90.66	359.41	3160.81	4926.89	-50.74	0.00	0.00	4927.15	LTP at 7836.21 MD
7906.21	90.66	359.41	3160.00	4996.89	-51.46	0.00	0.00	4997.15	TD at 7906.21

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
BHL - Linley B State 1H	3160.00	4996.90	-50.33	720258.37	628673.15	32.979671	-104.048525
LTP - Linley B State 1H	3160.81	4926.90	-49.61	720188.38	628673.88	32.979478	-104.048523



Legacy Directional Drilling

Planning Report

Database:	EDM5000	Local Co-ordinate Reference:	Well Linley B State 1H
Company:	BAM Permian Operating, LLC	TVD Reference:	GL 3762' @ 3762.00usft
Project:	Chaves County, NM	MD Reference:	GL 3762' @ 3762.00usft
Site:	Linley B State 1H	North Reference:	Grid
Well:	Linley B State 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Project	Chaves 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	Linley B State 1H		
Site Position:		Northing:	715,261.47 usft
From:	Lat/Long	Easting:	628,723.49 usft
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "
		Latitude:	32.965936
		Longitude:	-104.048405

Well	Linley B State 1H		
Well Position	+N/-S	0.00 usft	Northing:
	+E/-W	0.00 usft	Easting:
Position Uncertainty	0.00 usft	Wellhead Elevation:	usft
Grid Convergence:	0.16 °		
		Latitude:	32.965936
		Longitude:	-104.048405
		Ground Level:	3,762.00 usft

Wellbore	OH		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF2020	1/4/2023	6.64
			Dip Angle
			(°)
			Field Strength
			(nT)
			47,718.28810055

Design	Plan 1		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth:
			0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0.00	0.00	0.00
			Direction
			(°)
			359.41

Plan Survey Tool Program	Date	1/4/2023		
Depth From	Depth To			
(usft)	(usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	7,906.21 Plan 1 (OH)		

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(usft)	(usft)	Rate	Rate	Rate	(°)	
(usft)			(usft)			(°/100usft)	(°/100usft)	(°/100usft)		
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,559.87	0.00	0.00	2,559.87	0.00	0.00	0.00	0.00	0.00	0.00	
3,159.87	60.00	359.41	3,056.06	286.46	-2.95	10.00	10.00	0.00	359.41	
3,339.87	60.00	359.41	3,146.06	442.34	-4.56	0.00	0.00	0.00	0.00	
3,595.41	90.66	359.41	3,210.00	686.60	-7.07	12.00	12.00	0.00	0.00	
7,836.21	90.66	359.41	3,160.81	4,926.89	-50.74	0.00	0.00	0.00	0.00	LTP - Linley B State 1
7,906.21	90.66	359.41	3,160.00	4,996.89	-51.46	0.00	0.00	0.00	0.00	BHL - Linley B State 1

Legacy Directional Drilling

Planning Report

Database:	EDM5000	Local Co-ordinate Reference:	Well Linley B State 1H
Company:	BAM Permian Operating, LLC	TVD Reference:	GL 3762' @ 3762.00usft
Project:	Chaves County, NM	MD Reference:	GL 3762' @ 3762.00usft
Site:	Linley B State 1H	North Reference:	Grid
Well:	Linley B State 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,559.87	0.00	0.00	2,559.87	0.00	0.00	0.00	0.00	0.00	0.00
KOP Start Build 10.00									
2,600.00	4.01	359.41	2,599.97	1.40	-0.01	1.40	10.00	10.00	0.00
2,650.00	9.01	359.41	2,649.63	7.07	-0.07	7.07	10.00	10.00	0.00
2,700.00	14.01	359.41	2,698.61	17.05	-0.18	17.05	10.00	10.00	0.00
2,750.00	19.01	359.41	2,746.53	31.26	-0.32	31.26	10.00	10.00	0.00
2,800.00	24.01	359.41	2,793.03	49.59	-0.51	49.59	10.00	10.00	0.00
2,850.00	29.01	359.41	2,837.76	71.90	-0.74	71.90	10.00	10.00	0.00
2,900.00	34.01	359.41	2,880.37	98.02	-1.01	98.03	10.00	10.00	0.00
2,950.00	39.01	359.41	2,920.54	127.76	-1.32	127.77	10.00	10.00	0.00
3,000.00	44.01	359.41	2,957.97	160.89	-1.66	160.90	10.00	10.00	0.00
3,050.00	49.01	359.41	2,992.37	197.15	-2.03	197.16	10.00	10.00	0.00
3,100.00	54.01	359.41	3,023.48	236.28	-2.43	236.29	10.00	10.00	0.00
3,150.00	59.01	359.41	3,051.06	277.96	-2.86	277.98	10.00	10.00	0.00
3,159.87	60.00	359.41	3,056.06	286.46	-2.95	286.48	10.00	10.00	0.00
60° at 3159.87 MD									
3,200.00	60.00	359.41	3,076.13	321.22	-3.31	321.23	0.00	0.00	0.00
3,300.00	60.00	359.41	3,126.13	407.82	-4.20	407.84	0.00	0.00	0.00
3,339.87	60.00	359.41	3,146.06	442.34	-4.56	442.36	0.00	0.00	0.00
Start Build 12.00									
3,350.00	61.22	359.41	3,151.04	451.17	-4.65	451.19	12.00	12.00	0.00
3,375.00	64.22	359.41	3,162.50	473.38	-4.87	473.41	12.00	12.00	0.00
3,400.00	67.22	359.41	3,172.78	496.17	-5.11	496.19	12.00	12.00	0.00
3,425.00	70.22	359.41	3,181.85	519.46	-5.35	519.48	12.00	12.00	0.00
3,450.00	73.22	359.41	3,189.69	543.19	-5.59	543.22	12.00	12.00	0.00
3,475.00	76.22	359.41	3,196.28	567.30	-5.84	567.33	12.00	12.00	0.00
3,500.00	79.22	359.41	3,201.60	591.73	-6.09	591.76	12.00	12.00	0.00

Legacy Directional Drilling

Planning Report

Database:	EDM5000	Local Co-ordinate Reference:	Well Linley B State 1H
Company:	BAM Permian Operating, LLC	TVD Reference:	GL 3762' @ 3762.00usft
Project:	Chaves County, NM	MD Reference:	GL 3762' @ 3762.00usft
Site:	Linley B State 1H	North Reference:	Grid
Well:	Linley B State 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
3,525.00	82.22	359.41	3,205.63	616.39	-6.35	616.43	12.00	12.00	0.00
3,550.00	85.22	359.41	3,208.37	641.24	-6.60	641.27	12.00	12.00	0.00
3,575.00	88.22	359.41	3,209.80	666.19	-6.86	666.23	12.00	12.00	0.00
3,595.41	90.66	359.41	3,210.00	686.60	-7.07	686.63	12.00	12.00	0.00
LP 90.66° at 3595.41 MD									
3,600.00	90.66	359.41	3,209.95	691.19	-7.12	691.23	0.00	0.00	0.00
3,700.00	90.66	359.41	3,208.79	791.18	-8.15	791.22	0.00	0.00	0.00
3,800.00	90.66	359.41	3,207.63	891.17	-9.18	891.21	0.00	0.00	0.00
3,900.00	90.66	359.41	3,206.47	991.15	-10.21	991.21	0.00	0.00	0.00
4,000.00	90.66	359.41	3,205.31	1,091.14	-11.24	1,091.20	0.00	0.00	0.00
4,100.00	90.66	359.41	3,204.15	1,191.13	-12.27	1,191.19	0.00	0.00	0.00
4,200.00	90.66	359.41	3,202.99	1,291.12	-13.30	1,291.19	0.00	0.00	0.00
4,300.00	90.66	359.41	3,201.83	1,391.11	-14.33	1,391.18	0.00	0.00	0.00
4,400.00	90.66	359.41	3,200.67	1,491.09	-15.36	1,491.17	0.00	0.00	0.00
4,500.00	90.66	359.41	3,199.51	1,591.08	-16.38	1,591.17	0.00	0.00	0.00
4,600.00	90.66	359.41	3,198.35	1,691.07	-17.41	1,691.16	0.00	0.00	0.00
4,700.00	90.66	359.41	3,197.19	1,791.06	-18.44	1,791.15	0.00	0.00	0.00
4,800.00	90.66	359.41	3,196.03	1,891.05	-19.47	1,891.15	0.00	0.00	0.00
4,900.00	90.66	359.41	3,194.87	1,991.03	-20.50	1,991.14	0.00	0.00	0.00
5,000.00	90.66	359.41	3,193.71	2,091.02	-21.53	2,091.13	0.00	0.00	0.00
5,100.00	90.66	359.41	3,192.55	2,191.01	-22.56	2,191.13	0.00	0.00	0.00
5,200.00	90.66	359.41	3,191.39	2,291.00	-23.59	2,291.12	0.00	0.00	0.00
5,300.00	90.66	359.41	3,190.23	2,390.99	-24.62	2,391.11	0.00	0.00	0.00
5,400.00	90.66	359.41	3,189.07	2,490.97	-25.65	2,491.11	0.00	0.00	0.00
5,500.00	90.66	359.41	3,187.91	2,590.96	-26.68	2,591.10	0.00	0.00	0.00
5,600.00	90.66	359.41	3,186.75	2,690.95	-27.71	2,691.09	0.00	0.00	0.00
5,700.00	90.66	359.41	3,185.59	2,790.94	-28.74	2,791.09	0.00	0.00	0.00
5,800.00	90.66	359.41	3,184.43	2,890.93	-29.77	2,891.08	0.00	0.00	0.00
5,900.00	90.66	359.41	3,183.27	2,990.91	-30.80	2,991.07	0.00	0.00	0.00
6,000.00	90.66	359.41	3,182.11	3,090.90	-31.83	3,091.07	0.00	0.00	0.00
6,100.00	90.66	359.41	3,180.95	3,190.89	-32.86	3,191.06	0.00	0.00	0.00
6,200.00	90.66	359.41	3,179.79	3,290.88	-33.89	3,291.05	0.00	0.00	0.00
6,300.00	90.66	359.41	3,178.63	3,390.87	-34.92	3,391.05	0.00	0.00	0.00
6,400.00	90.66	359.41	3,177.47	3,490.85	-35.95	3,491.04	0.00	0.00	0.00
6,500.00	90.66	359.41	3,176.31	3,590.84	-36.98	3,591.03	0.00	0.00	0.00
6,600.00	90.66	359.41	3,175.15	3,690.83	-38.01	3,691.03	0.00	0.00	0.00
6,700.00	90.66	359.41	3,173.99	3,790.82	-39.04	3,791.02	0.00	0.00	0.00
6,800.00	90.66	359.41	3,172.83	3,890.81	-40.07	3,891.01	0.00	0.00	0.00
6,900.00	90.66	359.41	3,171.67	3,990.79	-41.10	3,991.01	0.00	0.00	0.00
7,000.00	90.66	359.41	3,170.51	4,090.78	-42.13	4,091.00	0.00	0.00	0.00
7,100.00	90.66	359.41	3,169.35	4,190.77	-43.16	4,190.99	0.00	0.00	0.00
7,200.00	90.66	359.41	3,168.19	4,290.76	-44.19	4,290.99	0.00	0.00	0.00
7,300.00	90.66	359.41	3,167.03	4,390.75	-45.22	4,390.98	0.00	0.00	0.00
7,400.00	90.66	359.41	3,165.87	4,490.73	-46.24	4,490.97	0.00	0.00	0.00
7,500.00	90.66	359.41	3,164.71	4,590.72	-47.27	4,590.97	0.00	0.00	0.00
7,600.00	90.66	359.41	3,163.55	4,690.71	-48.30	4,690.96	0.00	0.00	0.00
7,700.00	90.66	359.41	3,162.39	4,790.70	-49.33	4,790.95	0.00	0.00	0.00
7,800.00	90.66	359.41	3,161.23	4,890.69	-50.36	4,890.95	0.00	0.00	0.00
7,836.21	90.66	359.41	3,160.81	4,926.89	-50.74	4,927.15	0.00	0.00	0.00
LTP at 7836.21 MD									
7,906.21	90.66	359.41	3,160.00	4,996.89	-51.46	4,997.15	0.00	0.00	0.00
TD at 7906.21									

Legacy Directional Drilling

Planning Report

Database:	EDM5000	Local Co-ordinate Reference:	Well Linley B State 1H
Company:	BAM Permian Operating, LLC	TVD Reference:	GL 3762' @ 3762.00usft
Project:	Chaves County, NM	MD Reference:	GL 3762' @ 3762.00usft
Site:	Linley B State 1H	North Reference:	Grid
Well:	Linley B State 1H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 1		

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)		
BHL - Linley B State 1H	0.00	0.00	3,160.00	4,996.90	-50.33	720,258.37	628,673.16	32.979671	-104.048525
- plan misses target center by 1.13usft at 7906.21usft MD (3160.00 TVD, 4996.89 N, -51.46 E)									
- Point									
LTP - Linley B State 1H	0.00	0.00	3,160.81	4,926.90	-49.61	720,188.37	628,673.88	32.979479	-104.048524
- plan misses target center by 1.13usft at 7836.21usft MD (3160.81 TVD, 4926.89 N, -50.74 E)									
- Point									

Plan Annotations				
Measured Depth	Vertical Depth	Local Coordinates		Comment
(usft)	(usft)	+N/-S (usft)	+E/-W (usft)	
2,559.87	2,559.87	0.00	0.00	KOP Start Build 10.00
3,159.87	3,056.06	286.46	-2.95	60° at 3159.87 MD
3,339.87	3,146.06	442.34	-4.56	Start Build 12.00
3,595.41	3,210.00	686.60	-7.07	LP 90.66° at 3595.41 MD
7,836.21	3,160.81	4,926.89	-50.74	LTP at 7836.21 MD
7,906.21	3,160.00	4,996.89	-51.46	TD at 7906.21

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: BAM Permian Operating, LLC **OGRID:** 328565 **Date:** 01 / 16 / 23

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
Linley B State 1H	30-005-	O-32-15s-29e	200 FSL & 1930 FEL	250	100	1750

IV. Central Delivery Point Name: Frontier Field Services, LLC (221115) [See 19.15.27.9(D)(1) NMAC]
Linley State 1H in M-32-15s-29e

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
Linley B 16 State 1H	30-005-	3-15-23	3-27-23	4-20-23	5-5-23	5-15-23

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

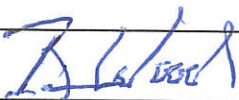
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(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:	Brian Wood
Title:	Consultant
E-mail Address:	brian@permitswest.com
Date:	1-16-23
Phone:	505 466-8120
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

VI. SEPARATION EQUIPMENT

Production will be piped to BAM's existing Linley State 1H production facility (M-32-15s-29e). BAM Permian Operating, LLC tentatively plans to install one 6' x 15' 3-phase freshwater knock-out with oil/gas/water meters for well testing. Existing associated equipment includes:

- Three 500 bbl oil tanks
- Three 500 bbl water tanks
- One 750 bbl gun barrel
- One 6' x 15' 3-phase FWKO
- One 6' x 20' 3-phase heater
- One 3' x 10' 2-phase gas scrubber
- One VRU with pipes to all tanks
- One circulating pump
- One Quinnaplex injection pump for SWD

VII. Operational Practices

NMAC 19.15.27.8 (A) Venting & Flaring of Natural Gas

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

NMAC 19.15.27.8 (B) Venting & Flaring During Drilling

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

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

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

NMAC 19.15.27.8 (D) Venting & Flaring During Production

BAM will not vent or flare natural gas except:

1. During an emergency or malfunction
2. To unload or clean-up liquid holdup in a well to atmospheric pressure, provided
 - a) BAM does not vent after the well achieves a stabilized rate and pressure
 - b) BAM will be on-site while unloading liquids by manual purging and take all reasonable actions to achieve a stabilized rate and pressure as soon as possible

- c) BAM will optimize the system to minimize gas venting if the well is equipped with a plunger lift or auto control system
 - d) Best management practices will be used during downhole well maintenance.
- 3. During the first year of production from an exploratory well provided
 - a) BAM receives approval from the NMOCD
 - b) BAM stays in compliance with NMOCD gas capture requirements
 - c) BAM submits an updated C-129 form to the NMOCD
- 4. During the following activities unless prohibited
 - a) Gauging or sampling a storage tank or low-pressure production vessel
 - b) Loading out liquids from a storage tank
 - c) Repair and maintenance
 - d) Normal operation of a gas-activated pneumatic controller or pump
 - e) Normal operation of a storage tank but not including venting from a thief hatch
 - f) Normal operation of dehydration units
 - g) Normal operations of compressors, engines, turbines, valves, flanges, & connectors
 - h) During a Braden head, packer leak test, or production test lasting <24 hours
 - i) When natural gas does not meet the gathering line specifications
 - j) Commissioning of lines, equipment, or facilities only for as long as necessary to purge introduced impurities.

NMAC 19.15.27.8 (E) Performance Standards

- 1. BAM used a safety factor to design the separation and storage equipment. The equipment will be routed to a vapor recovery system and uses a flare as back up for startup, shutdown, maintenance, or malfunction of the VRU system.
- 2. BAM will install a flare that will handle the full facility vapor volume in case the VRU fails. It will have an auto-ignition system.
- 3. Flare stacks will be appropriately sized and designed to ensure proper combustion efficiency
 - a) Flare stacks installed or replaced will be equipped with an automatic ignitor or continuous pilot.
 - b) Previously installed flare stacks will be retrofitted within 18 months of May 25, 2021 with an automatic ignitor, continuous pilot, or technology that alerts BAM to flare malfunction.
 - c) Flare stacks replaced after May 25, 2021 will be equipped with an automatic ignitor or continuous pilot if at a well or facility with an average production of ≤ 60 Mcfd of natural gas.
 - d) Flare stacks will be located >100 feet from well head and storage tanks and securely anchored.
- 4. BAM will conduct an audio/visual/olfactory inspection on all components for leaks and defects every week.

5. BAM will make and keep records of AVO inspections available to the NMOCD for at least 5 years.
6. BAM may use a remote or automated monitoring technology to detect leaks and releases in lieu of AVO inspections with prior NMOCD approval.
7. Facilities will be designed to minimize waste.
8. BAM will resolve emergencies as promptly as possible.

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

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

VIII. Best Management Practices

BAM Permian Operating, LLC will minimize venting during maintenance by:

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