

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 339365

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

1. Operator Name and Address AMEREDEV OPERATING, LLC 2901 Via Fortuna Austin, TX 78746		2. OGRID Number 372224
		3. API Number 30-025-51468
4. Property Code 331807	5. Property Name AZALEA 26 36 28 STATE COM	6. Well No. 063H

7. Surface Location

UL - Lot B	Section 28	Township 26S	Range 36E	Lot Idn B	Feet From 330	N/S Line N	Feet From 2020	E/W Line E	County Lea
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8. Proposed Bottom Hole Location

UL - Lot G	Section 33	Township 26S	Range 36E	Lot Idn 2	Feet From 50	N/S Line S	Feet From 2310	E/W Line E	County Lea
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9. Pool Information

WC-025 G-08 S263620C:LWR BONE SPRIN	98150
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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 2906
16. Multiple N	17. Proposed Depth 16489	18. Formation Bone Spring	19. Contractor	20. Spud Date 1/1/2024
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	68	1856	1146	0
Int1	9.875	7.625	29.7	8600	1075	0
Prod	6.75	5.5	23	16489	1284	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	TBD

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.	OIL CONSERVATION DIVISION	
Signature:		
Printed Name: Electronically filed by Christie Hanna	Approved By: Paul F Kautz	
Title: Regulatory	Title: Geologist	
Email Address: channa@ameredev.com	Approved Date: 5/19/2023	Expiration Date: 5/19/2025
Date: 5/9/2023	Phone: 737-300-4723	Conditions of Approval Attached

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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

WC-025 G-08

S263620C; LOWER BONE

¹ API Number 30-025- 51468	² Pool Code XXX [98150]	³ Pool Name WC-025 G-06 S263622F; BONE SPRING
⁴ Property Code 331807	⁵ Property Name AZALEA 26 36 28 STATE COM	⁶ Well Number 063H
⁷ OGRID No. 372224	⁸ Operator Name AMEREDEV OPERATING, LLC.	⁹ Elevation 2906'

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
B	28	26-S	36-E	-	330'	NORTH	2020'	EAST	LEA

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
2	33	26-S	36-E	-	50'	SOUTH	2310'	EAST	LEA
¹² Dedicated Acres 233.72	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u> 330' FNL - SEC. 28 2020' FEL - SEC. 28 X=871494 Y=372868 LAT.: N 32.0206202 LONG.: W 103.2680584</p> <p><u>KICK OFF POINT (KOP)</u> 50' FNL - SEC. 28 2310' FEL - SEC. 28 X=871202 Y=373145 LAT.: N 32.0213889 LONG.: W 103.2689942</p> <p><u>FIRST TAKE POINT (FTP)</u> 100' FNL - SEC. 28 2310' FEL - SEC. 28 X=871202 Y=373095 LAT.: N 32.0212515 LONG.: W 103.2689942</p> <p><u>LAST TAKE POINT (LTP)</u> 100' FNL - SEC. 33 2310' FEL - SEC. 33 X=871279 Y=365578 LAT.: N 32.0005891 LONG.: W 103.2689847</p> <p><u>BOTTOM HOLE LOCATION (BHL)</u> 50' FSL - SEC. 33 2310' FEL - SEC. 33 X=871280 Y=365528 LAT.: N 32.0004516 LONG.: W 103.2689847</p>	<p>¹⁷OPERATOR 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.</p> <p><i>Floyd Hammond</i> 5/8/2023 Signature Date Floyd Hammond Printed Name fhammond@ameredev.com E-mail Address</p> <p>¹⁸SURVEYOR 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 to the best of my belief.</p> <p>04/25/2023 Date of Survey Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p>
	<p>S:\SURVEY\AMEREDEV_OPERATING_LLC\AZALEA_STATE_COM\FINAL_PRODUCT\SILO_AZALEA_STATE_COM_26_36_28_063H_REV1.DWG 5/4/2023 8:12:27 AM juliana.franklin</p>	

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Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions

Permit 339365

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: AMEREDEV OPERATING, LLC [372224] 2901 Via Fortuna Austin, TX 78746	API Number: 30-025-51468
	Well: AZALEA 26 36 28 STATE COM #063H

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 is required to circulate on both surface and intermediate1 strings of casing
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud



Ameredev II, LLC

Wellbore Schematic

Well: Azalea 26 36 28 State Com 063H
SHL: Sec. 28 26S-36E 330' FNL & 2020' FEL
BHL: Sec. 33 26S-36E 50' FSL & 2310' FEL
 Lea, NM
Wellhead: A - 13-5/8" 10M x 13-5/8" SOW
 B - 13-5/8" 10M x 13-5/8" 10M
 C - 13-5/8" 10M x 13-5/8" 10M
 Tubing Spool - 7-1/16" 15M x 13-3/8" 10M
Xmas Tree: 2-9/16" 10M
Tubing: 2-7/8" L-80 6.5# 8rd EUE

Co. Well ID: xxxxxxx
AFE No.: xxxx-xxx
API No.: xxxxxxxxxxxx
GL: 2,906'
Field: Delaware
Objective: First Bone Spring
TVD: 8,600'
MD: 16,489'
Rig: TBD **KB:** 27'
E-Mail: Wellsite2@ameredev.com

Hole Size	Formation Tops	Logs Cement	Mud Weight
17.5"	Rustler 1,731' 13.375" 68# J-55 BTC 1,856'	1,146 Sacks TOC 0' 50% Excess	8.4-8.6 ppg WBM
9.875"	Salado 2,100' DV Tool 3,239' Tansill 3,239' Capitan Reef 3,726' Lamar 4,925' Bell Canyon 5,095' Brushy Canyon 7,024' Bone Spring Lime 8,010' First Bone Spring 9,554' 7.625" 29.7# L-80HC BTC 8,600'	444 Sacks TOC 0' 25% Excess 1,075 Sacks TOC 0' 25% Excess	7.5 - 9.4 ppg Diesel Brine Emulsion
12° Build @ 8,173' MD thru 8,923' MD	5.5" 23# P110 USS-Eagle SFH 16,489' Target First Bone Spring 8600 TVD // 16489 MD	1,284 Sacks TOC 0' 25% Excess	
6.75"			



Ameredev Operating

Lea County, NM (N83-NME)

Camelia_Azalea

AZALEA STATE COM 26-36-28 063H

OWB

Plan: PWP0

Standard Planning Report - Geographic

09 May, 2023



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 063H
Company:	Ameredev Operating	TVD Reference:	KB=27' @ 2933.0usft
Project:	Lea County, NM (N83-NME)	MD Reference:	KB=27' @ 2933.0usft
Site:	Camelia_Azalea	North Reference:	Grid
Well:	AZALEA STATE COM 26-36-28 063H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWP0		

Project	Lea County, NM (N83-NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Camelia_Azalea				
Site Position:		Northing:	372,956.73 usft	Latitude:	32.0208919
From:	Lat/Long	Easting:	870,464.84 usft	Longitude:	-103.2713773
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "		

Well	AZALEA STATE COM 26-36-28 063H					
Well Position	+N/-S	0.0 usft	Northing:	372,868.01 usft	Latitude:	32.0206202
	+E/-W	0.0 usft	Easting:	871,494.48 usft	Longitude:	-103.2680584
Position Uncertainty	3.0 usft		Wellhead Elevation:	usft	Ground Level:	2,906.0 usft
Grid Convergence:	0.56 °					

Wellbore	OWB				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2020	5/1/2023	6.17	59.69	47,211.49059723

Design	PWP0			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	181.68

Plan Survey Tool Program	Date	5/2/2023		
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.0	16,488.8 PWP0 (OWB)	MWD	
			OWSG MWD - Standard	

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,300.0	8.00	337.09	2,297.4	51.4	-21.7	1.00	1.00	0.00	337.09	
6,979.6	8.00	337.09	6,931.5	651.2	-275.3	0.00	0.00	0.00	0.00	
7,779.6	0.00	0.00	7,728.9	702.6	-297.0	1.00	-1.00	0.00	180.00	
8,173.2	0.00	0.00	8,122.5	702.6	-297.0	0.00	0.00	0.00	0.00	
8,923.2	90.00	179.41	8,600.0	225.2	-292.1	12.00	12.00	23.92	179.41	
16,488.9	90.00	179.41	8,600.0	-7,340.1	-214.8	0.00	0.00	0.00	0.00	BHL (ASC 063H)



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 063H
Company:	Ameredev Operating	TVD Reference:	KB=27' @ 2933.0usft
Project:	Lea County, NM (N83-NME)	MD Reference:	KB=27' @ 2933.0usft
Site:	Camelia_Azalea	North Reference:	Grid
Well:	AZALEA STATE COM 26-36-28 063H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWPO		

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	372,868.01	871,494.48	32.0206202	-103.2680584
100.0	0.00	0.00	100.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
200.0	0.00	0.00	200.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
300.0	0.00	0.00	300.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
400.0	0.00	0.00	400.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
500.0	0.00	0.00	500.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
600.0	0.00	0.00	600.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
700.0	0.00	0.00	700.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
800.0	0.00	0.00	800.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
900.0	0.00	0.00	900.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
1,000.0	0.00	0.00	1,000.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
1,100.0	0.00	0.00	1,100.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
1,200.0	0.00	0.00	1,200.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
1,300.0	0.00	0.00	1,300.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
1,400.0	0.00	0.00	1,400.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
1,500.0	0.00	0.00	1,500.0	0.0	0.0	372,868.01	871,494.48	32.0206202	-103.2680584
Start Build 1.00									
1,600.0	1.00	337.09	1,600.0	0.8	-0.3	372,868.81	871,494.14	32.0206224	-103.2680595
1,700.0	2.00	337.09	1,700.0	3.2	-1.4	372,871.22	871,493.12	32.0206291	-103.2680627
1,800.0	3.00	337.09	1,799.9	7.2	-3.1	372,875.24	871,491.43	32.0206402	-103.2680680
1,900.0	4.00	337.09	1,899.7	12.9	-5.4	372,880.86	871,489.05	32.0206557	-103.2680755
2,000.0	5.00	337.09	1,999.4	20.1	-8.5	372,888.09	871,485.99	32.0206757	-103.2680851
2,100.0	6.00	337.09	2,098.9	28.9	-12.2	372,896.92	871,482.26	32.0207000	-103.2680969
2,200.0	7.00	337.09	2,198.3	39.3	-16.6	372,907.35	871,477.85	32.0207288	-103.2681108
2,300.0	8.00	337.09	2,297.4	51.4	-21.7	372,919.37	871,472.77	32.0207620	-103.2681268
Start 4679.6 hold at 2300.0 MD									
2,400.0	8.00	337.09	2,396.4	64.2	-27.1	372,932.19	871,467.35	32.0207974	-103.2681439
2,500.0	8.00	337.09	2,495.5	77.0	-32.5	372,945.01	871,461.93	32.0208327	-103.2681609
2,600.0	8.00	337.09	2,594.5	89.8	-38.0	372,957.83	871,456.52	32.0208681	-103.2681780
2,700.0	8.00	337.09	2,693.5	102.6	-43.4	372,970.64	871,451.10	32.0209035	-103.2681951
2,800.0	8.00	337.09	2,792.5	115.5	-48.8	372,983.46	871,445.68	32.0209389	-103.2682122
2,900.0	8.00	337.09	2,891.6	128.3	-54.2	372,996.28	871,440.26	32.0209743	-103.2682292
3,000.0	8.00	337.09	2,990.6	141.1	-59.6	373,009.10	871,434.84	32.0210096	-103.2682463
3,100.0	8.00	337.09	3,089.6	153.9	-65.1	373,021.92	871,429.42	32.0210450	-103.2682634
3,200.0	8.00	337.09	3,188.6	166.7	-70.5	373,034.74	871,424.00	32.0210804	-103.2682805
3,300.0	8.00	337.09	3,287.7	179.6	-75.9	373,047.56	871,418.58	32.0211158	-103.2682975
3,400.0	8.00	337.09	3,386.7	192.4	-81.3	373,060.38	871,413.17	32.0211512	-103.2683146
3,500.0	8.00	337.09	3,485.7	205.2	-86.7	373,073.20	871,407.75	32.0211865	-103.2683317
3,600.0	8.00	337.09	3,584.8	218.0	-92.2	373,086.02	871,402.33	32.0212219	-103.2683488
3,700.0	8.00	337.09	3,683.8	230.8	-97.6	373,098.84	871,396.91	32.0212573	-103.2683658
3,800.0	8.00	337.09	3,782.8	243.6	-103.0	373,111.65	871,391.49	32.0212927	-103.2683829
3,900.0	8.00	337.09	3,881.8	256.5	-108.4	373,124.47	871,386.07	32.0213281	-103.2684000
4,000.0	8.00	337.09	3,980.9	269.3	-113.8	373,137.29	871,380.65	32.0213634	-103.2684171
4,100.0	8.00	337.09	4,079.9	282.1	-119.2	373,150.11	871,375.23	32.0213988	-103.2684341
4,200.0	8.00	337.09	4,178.9	294.9	-124.7	373,162.93	871,369.81	32.0214342	-103.2684512
4,300.0	8.00	337.09	4,277.9	307.7	-130.1	373,175.75	871,364.40	32.0214696	-103.2684683
4,400.0	8.00	337.09	4,377.0	320.6	-135.5	373,188.57	871,358.98	32.0215050	-103.2684854
4,433.0	8.00	337.09	4,409.6	324.8	-137.3	373,192.80	871,357.19	32.0215166	-103.2684910
NMNM105464695 Entry at 4433.0 MD									
4,500.0	8.00	337.09	4,476.0	333.4	-140.9	373,201.39	871,353.56	32.0215403	-103.2685024
4,600.0	8.00	337.09	4,575.0	346.2	-146.3	373,214.21	871,348.14	32.0215757	-103.2685195
4,700.0	8.00	337.09	4,674.0	359.0	-151.8	373,227.03	871,342.72	32.0216111	-103.2685366
4,800.0	8.00	337.09	4,773.1	371.8	-157.2	373,239.84	871,337.30	32.0216465	-103.2685537
4,900.0	8.00	337.09	4,872.1	384.7	-162.6	373,252.66	871,331.88	32.0216819	-103.2685707



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 063H
Company:	Ameredev Operating	TVD Reference:	KB=27' @ 2933.0usft
Project:	Lea County, NM (N83-NME)	MD Reference:	KB=27' @ 2933.0usft
Site:	Camelia_Azalea	North Reference:	Grid
Well:	AZALEA STATE COM 26-36-28 063H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWPO		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
5,000.0	8.00	337.09	4,971.1	397.5	-168.0	373,265.48	871,326.46	32.0217172	-103.2685878	
5,100.0	8.00	337.09	5,070.2	410.3	-173.4	373,278.30	871,321.05	32.0217526	-103.2686049	
5,200.0	8.00	337.09	5,169.2	423.1	-178.9	373,291.12	871,315.63	32.0217880	-103.2686219	
5,300.0	8.00	337.09	5,268.2	435.9	-184.3	373,303.94	871,310.21	32.0218234	-103.2686390	
5,400.0	8.00	337.09	5,367.2	448.8	-189.7	373,316.76	871,304.79	32.0218588	-103.2686561	
5,500.0	8.00	337.09	5,466.3	461.6	-195.1	373,329.58	871,299.37	32.0218941	-103.2686732	
5,600.0	8.00	337.09	5,565.3	474.4	-200.5	373,342.40	871,293.95	32.0219295	-103.2686902	
5,700.0	8.00	337.09	5,664.3	487.2	-206.0	373,355.22	871,288.53	32.0219649	-103.2687073	
5,800.0	8.00	337.09	5,763.3	500.0	-211.4	373,368.04	871,283.11	32.0220003	-103.2687244	
5,900.0	8.00	337.09	5,862.4	512.8	-216.8	373,380.85	871,277.70	32.0220357	-103.2687415	
6,000.0	8.00	337.09	5,961.4	525.7	-222.2	373,393.67	871,272.28	32.0220710	-103.2687585	
6,100.0	8.00	337.09	6,060.4	538.5	-227.6	373,406.49	871,266.86	32.0221064	-103.2687756	
6,200.0	8.00	337.09	6,159.4	551.3	-233.0	373,419.31	871,261.44	32.0221418	-103.2687927	
6,300.0	8.00	337.09	6,258.5	564.1	-238.5	373,432.13	871,256.02	32.0221772	-103.2688098	
6,400.0	8.00	337.09	6,357.5	576.9	-243.9	373,444.95	871,250.60	32.0222126	-103.2688268	
6,500.0	8.00	337.09	6,456.5	589.8	-249.3	373,457.77	871,245.18	32.0222479	-103.2688439	
6,600.0	8.00	337.09	6,555.6	602.6	-254.7	373,470.59	871,239.76	32.0222833	-103.2688610	
6,700.0	8.00	337.09	6,654.6	615.4	-260.1	373,483.41	871,234.34	32.0223187	-103.2688781	
6,800.0	8.00	337.09	6,753.6	628.2	-265.6	373,496.23	871,228.93	32.0223541	-103.2688951	
6,900.0	8.00	337.09	6,852.6	641.0	-271.0	373,509.04	871,223.51	32.0223895	-103.2689122	
6,979.6	8.00	337.09	6,931.5	651.2	-275.3	373,519.25	871,219.19	32.0224176	-103.2689258	
Start Drop -1.00										
7,000.0	7.80	337.09	6,951.7	653.8	-276.4	373,521.83	871,218.10	32.0224248	-103.2689292	
7,100.0	6.80	337.09	7,050.9	665.5	-281.3	373,533.53	871,213.16	32.0224570	-103.2689448	
7,200.0	5.80	337.09	7,150.3	675.6	-285.6	373,543.63	871,208.89	32.0224849	-103.2689583	
7,300.0	4.80	337.09	7,249.8	684.1	-289.2	373,552.13	871,205.29	32.0225084	-103.2689696	
7,400.0	3.80	337.09	7,349.5	691.0	-292.1	373,559.03	871,202.38	32.0225274	-103.2689788	
7,500.0	2.80	337.09	7,449.4	696.3	-294.3	373,564.33	871,200.14	32.0225420	-103.2689858	
7,600.0	1.80	337.09	7,549.3	700.0	-295.9	373,568.02	871,198.58	32.0225522	-103.2689908	
7,700.0	0.80	337.09	7,649.3	702.1	-296.8	373,570.10	871,197.70	32.0225580	-103.2689935	
7,779.6	0.00	0.00	7,728.9	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
Start 393.6 hold at 7779.6 MD										
7,800.0	0.00	0.00	7,749.3	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
7,900.0	0.00	0.00	7,849.3	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
8,000.0	0.00	0.00	7,949.3	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
8,100.0	0.00	0.00	8,049.3	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
8,173.2	0.00	0.00	8,122.5	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
KOP-Start DLS 12.00 TFO 179.41										
8,175.0	0.21	179.41	8,124.3	702.6	-297.0	373,570.61	871,197.48	32.0225594	-103.2689942	
8,200.0	3.21	179.41	8,149.3	701.9	-297.0	373,569.86	871,197.49	32.0225573	-103.2689942	
8,225.0	6.21	179.41	8,174.2	699.8	-297.0	373,567.81	871,197.51	32.0225517	-103.2689942	
8,250.0	9.21	179.41	8,198.9	696.4	-296.9	373,564.45	871,197.55	32.0225425	-103.2689942	
8,275.0	12.21	179.41	8,223.5	691.8	-296.9	373,559.81	871,197.59	32.0225297	-103.2689942	
8,300.0	15.21	179.41	8,247.8	685.9	-296.8	373,553.88	871,197.65	32.0225134	-103.2689942	
8,325.0	18.21	179.41	8,271.7	678.7	-296.8	373,546.69	871,197.73	32.0224936	-103.2689942	
8,350.0	21.21	179.41	8,295.3	670.3	-296.7	373,538.26	871,197.81	32.0224705	-103.2689942	
8,375.0	24.21	179.41	8,318.3	660.6	-296.6	373,528.61	871,197.91	32.0224439	-103.2689942	
8,400.0	27.21	179.41	8,340.8	649.8	-296.5	373,517.77	871,198.02	32.0224141	-103.2689942	
8,425.0	30.21	179.41	8,362.8	637.8	-296.3	373,505.76	871,198.15	32.0223811	-103.2689941	
8,450.0	33.21	179.41	8,384.0	624.6	-296.2	373,492.62	871,198.28	32.0223450	-103.2689941	
8,475.0	36.21	179.41	8,404.6	610.4	-296.1	373,478.39	871,198.42	32.0223059	-103.2689941	
8,500.0	39.21	179.41	8,424.3	595.1	-295.9	373,463.10	871,198.58	32.0222639	-103.2689941	
8,525.0	42.21	179.41	8,443.3	578.8	-295.7	373,446.79	871,198.75	32.0222190	-103.2689941	
8,550.0	45.21	179.41	8,461.4	561.5	-295.6	373,429.52	871,198.92	32.0221716	-103.2689940	



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 063H
Company:	Ameredev Operating	TVD Reference:	KB=27' @ 2933.0usft
Project:	Lea County, NM (N83-NME)	MD Reference:	KB=27' @ 2933.0usft
Site:	Camelia_Azalea	North Reference:	Grid
Well:	AZALEA STATE COM 26-36-28 063H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWP0		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
8,575.0	48.21	179.41	8,478.5	543.3	-295.4	373,411.33	871,199.11	32.0221215	-103.2689940	
8,600.0	51.21	179.41	8,494.7	524.2	-295.2	373,392.26	871,199.30	32.0220691	-103.2689940	
8,625.0	54.21	179.41	8,509.8	504.4	-295.0	373,372.37	871,199.51	32.0220145	-103.2689940	
8,650.0	57.21	179.41	8,523.9	483.7	-294.8	373,351.72	871,199.72	32.0219577	-103.2689940	
8,675.0	60.21	179.41	8,536.9	462.4	-294.5	373,330.36	871,199.94	32.0218990	-103.2689939	
8,700.0	63.21	179.41	8,548.7	440.3	-294.3	373,308.35	871,200.16	32.0218385	-103.2689939	
8,725.0	66.21	179.41	8,559.4	417.7	-294.1	373,285.75	871,200.39	32.0217764	-103.2689939	
8,750.0	69.21	179.41	8,568.9	394.6	-293.9	373,262.62	871,200.63	32.0217128	-103.2689939	
8,775.0	72.21	179.41	8,577.1	371.0	-293.6	373,239.03	871,200.87	32.0216479	-103.2689938	
8,800.0	75.21	179.41	8,584.1	347.0	-293.4	373,215.03	871,201.12	32.0215820	-103.2689938	
8,825.0	78.21	179.41	8,589.9	322.7	-293.1	373,190.72	871,201.36	32.0215152	-103.2689938	
NMNM105464695 Exit at 8825.0 MD										
8,850.0	81.21	179.41	8,594.4	298.1	-292.9	373,166.11	871,201.61	32.0214475	-103.2689937	
8,875.0	84.21	179.41	8,597.5	273.3	-292.6	373,141.32	871,201.87	32.0213794	-103.2689937	
8,900.0	87.21	179.41	8,599.4	248.4	-292.4	373,116.39	871,202.12	32.0213108	-103.2689937	
8,923.2	90.00	179.41	8,600.0	225.2	-292.1	373,093.17	871,202.36	32.0212470	-103.2689937	
LP-Start 7565.7 hold at 8923.2 MD										
9,000.0	90.00	179.41	8,600.0	148.4	-291.3	373,016.41	871,203.14	32.0210360	-103.2689936	
9,100.0	90.00	179.41	8,600.0	48.4	-290.3	372,916.41	871,204.17	32.0207611	-103.2689934	
9,200.0	90.00	179.41	8,600.0	-51.6	-289.3	372,816.42	871,205.19	32.0204863	-103.2689933	
9,300.0	90.00	179.41	8,600.0	-151.6	-288.3	372,716.42	871,206.21	32.0202114	-103.2689932	
9,400.0	90.00	179.41	8,600.0	-251.6	-287.3	372,616.43	871,207.23	32.0199365	-103.2689931	
9,500.0	90.00	179.41	8,600.0	-351.6	-286.2	372,516.43	871,208.25	32.0196617	-103.2689930	
9,600.0	90.00	179.41	8,600.0	-451.6	-285.2	372,416.44	871,209.27	32.0193868	-103.2689929	
9,700.0	90.00	179.41	8,600.0	-551.6	-284.2	372,316.44	871,210.29	32.0191119	-103.2689927	
9,800.0	90.00	179.41	8,600.0	-651.6	-283.2	372,216.45	871,211.32	32.0188371	-103.2689926	
9,900.0	90.00	179.41	8,600.0	-751.6	-282.1	372,116.46	871,212.34	32.0185622	-103.2689925	
10,000.0	90.00	179.41	8,600.0	-851.5	-281.1	372,016.46	871,213.36	32.0182873	-103.2689924	
10,100.0	90.00	179.41	8,600.0	-951.5	-280.1	371,916.47	871,214.38	32.0180125	-103.2689923	
10,200.0	90.00	179.41	8,600.0	-1,051.5	-279.1	371,816.47	871,215.40	32.0177376	-103.2689922	
10,300.0	90.00	179.41	8,600.0	-1,151.5	-278.1	371,716.48	871,216.42	32.0174627	-103.2689920	
10,400.0	90.00	179.41	8,600.0	-1,251.5	-277.0	371,616.48	871,217.44	32.0171879	-103.2689919	
10,500.0	90.00	179.41	8,600.0	-1,351.5	-276.0	371,516.49	871,218.47	32.0169130	-103.2689918	
10,600.0	90.00	179.41	8,600.0	-1,451.5	-275.0	371,416.49	871,219.49	32.0166382	-103.2689917	
10,700.0	90.00	179.41	8,600.0	-1,551.5	-274.0	371,316.50	871,220.51	32.0163633	-103.2689916	
10,800.0	90.00	179.41	8,600.0	-1,651.5	-273.0	371,216.50	871,221.53	32.0160884	-103.2689914	
10,900.0	90.00	179.41	8,600.0	-1,751.5	-271.9	371,116.51	871,222.55	32.0158136	-103.2689913	
11,000.0	90.00	179.41	8,600.0	-1,851.5	-270.9	371,016.51	871,223.57	32.0155387	-103.2689912	
11,100.0	90.00	179.41	8,600.0	-1,951.5	-269.9	370,916.52	871,224.59	32.0152638	-103.2689911	
11,200.0	90.00	179.41	8,600.0	-2,051.5	-268.9	370,816.52	871,225.62	32.0149890	-103.2689910	
11,300.0	90.00	179.41	8,600.0	-2,151.5	-267.8	370,716.53	871,226.64	32.0147141	-103.2689909	
11,400.0	90.00	179.41	8,600.0	-2,251.5	-266.8	370,616.53	871,227.66	32.0144392	-103.2689907	
11,500.0	90.00	179.41	8,600.0	-2,351.5	-265.8	370,516.54	871,228.68	32.0141644	-103.2689906	
11,600.0	90.00	179.41	8,600.0	-2,451.5	-264.8	370,416.54	871,229.70	32.0138895	-103.2689905	
11,700.0	90.00	179.41	8,600.0	-2,551.5	-263.8	370,316.55	871,230.72	32.0136146	-103.2689904	
11,800.0	90.00	179.41	8,600.0	-2,651.5	-262.7	370,216.55	871,231.75	32.0133398	-103.2689903	
11,900.0	90.00	179.41	8,600.0	-2,751.4	-261.7	370,116.56	871,232.77	32.0130649	-103.2689901	
12,000.0	90.00	179.41	8,600.0	-2,851.4	-260.7	370,016.56	871,233.79	32.0127900	-103.2689900	
12,100.0	90.00	179.41	8,600.0	-2,951.4	-259.7	369,916.57	871,234.81	32.0125152	-103.2689899	
12,200.0	90.00	179.41	8,600.0	-3,051.4	-258.7	369,816.58	871,235.83	32.0122403	-103.2689898	
12,300.0	90.00	179.41	8,600.0	-3,151.4	-257.6	369,716.58	871,236.85	32.0119654	-103.2689897	
12,400.0	90.00	179.41	8,600.0	-3,251.4	-256.6	369,616.59	871,237.87	32.0116906	-103.2689896	
12,500.0	90.00	179.41	8,600.0	-3,351.4	-255.6	369,516.59	871,238.90	32.0114157	-103.2689894	
12,600.0	90.00	179.41	8,600.0	-3,451.4	-254.6	369,416.60	871,239.92	32.0111408	-103.2689893	



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 063H
Company:	Ameredev Operating	TVD Reference:	KB=27' @ 2933.0usft
Project:	Lea County, NM (N83-NME)	MD Reference:	KB=27' @ 2933.0usft
Site:	Camelia_Azalea	North Reference:	Grid
Well:	AZALEA STATE COM 26-36-28 063H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWP0		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
12,700.0	90.00	179.41	8,600.0	-3,551.4	-253.5	369,316.60	871,240.94	32.0108660	-103.2689892	
12,800.0	90.00	179.41	8,600.0	-3,651.4	-252.5	369,216.61	871,241.96	32.0105911	-103.2689891	
12,900.0	90.00	179.41	8,600.0	-3,751.4	-251.5	369,116.61	871,242.98	32.0103162	-103.2689890	
13,000.0	90.00	179.41	8,600.0	-3,851.4	-250.5	369,016.62	871,244.00	32.0100414	-103.2689888	
13,100.0	90.00	179.41	8,600.0	-3,951.4	-249.5	368,916.62	871,245.02	32.0097665	-103.2689887	
13,200.0	90.00	179.41	8,600.0	-4,051.4	-248.4	368,816.63	871,246.05	32.0094916	-103.2689886	
13,300.0	90.00	179.41	8,600.0	-4,151.4	-247.4	368,716.63	871,247.07	32.0092168	-103.2689885	
13,400.0	90.00	179.41	8,600.0	-4,251.4	-246.4	368,616.64	871,248.09	32.0089419	-103.2689884	
13,500.0	90.00	179.41	8,600.0	-4,351.4	-245.4	368,516.64	871,249.11	32.0086670	-103.2689882	
13,600.0	90.00	179.41	8,600.0	-4,451.4	-244.4	368,416.65	871,250.13	32.0083922	-103.2689881	
13,700.0	90.00	179.41	8,600.0	-4,551.4	-243.3	368,316.65	871,251.15	32.0081173	-103.2689880	
13,800.0	90.00	179.41	8,600.0	-4,651.4	-242.3	368,216.66	871,252.17	32.0078425	-103.2689879	
13,900.0	90.00	179.41	8,600.0	-4,751.3	-241.3	368,116.66	871,253.20	32.0075676	-103.2689878	
14,000.0	90.00	179.41	8,600.0	-4,851.3	-240.3	368,016.67	871,254.22	32.0072927	-103.2689877	
14,100.0	90.00	179.41	8,600.0	-4,951.3	-239.2	367,916.67	871,255.24	32.0070179	-103.2689875	
14,200.0	90.00	179.41	8,600.0	-5,051.3	-238.2	367,816.68	871,256.26	32.0067430	-103.2689874	
14,300.0	90.00	179.41	8,600.0	-5,151.3	-237.2	367,716.68	871,257.28	32.0064681	-103.2689873	
14,400.0	90.00	179.41	8,600.0	-5,251.3	-236.2	367,616.69	871,258.30	32.0061933	-103.2689872	
14,500.0	90.00	179.41	8,600.0	-5,351.3	-235.2	367,516.70	871,259.32	32.0059184	-103.2689871	
14,600.0	90.00	179.41	8,600.0	-5,451.3	-234.1	367,416.70	871,260.35	32.0056435	-103.2689869	
14,700.0	90.00	179.41	8,600.0	-5,551.3	-233.1	367,316.71	871,261.37	32.0053687	-103.2689868	
14,800.0	90.00	179.41	8,600.0	-5,651.3	-232.1	367,216.71	871,262.39	32.0050938	-103.2689867	
14,900.0	90.00	179.41	8,600.0	-5,751.3	-231.1	367,116.72	871,263.41	32.0048189	-103.2689866	
15,000.0	90.00	179.41	8,600.0	-5,851.3	-230.1	367,016.72	871,264.43	32.0045441	-103.2689865	
15,100.0	90.00	179.41	8,600.0	-5,951.3	-229.0	366,916.73	871,265.45	32.0042692	-103.2689863	
15,200.0	90.00	179.41	8,600.0	-6,051.3	-228.0	366,816.73	871,266.48	32.0039943	-103.2689862	
15,300.0	90.00	179.41	8,600.0	-6,151.3	-227.0	366,716.74	871,267.50	32.0037195	-103.2689861	
15,400.0	90.00	179.41	8,600.0	-6,251.3	-226.0	366,616.74	871,268.52	32.0034446	-103.2689860	
15,500.0	90.00	179.41	8,600.0	-6,351.3	-224.9	366,516.75	871,269.54	32.0031697	-103.2689859	
15,600.0	90.00	179.41	8,600.0	-6,451.3	-223.9	366,416.75	871,270.56	32.0028949	-103.2689858	
15,700.0	90.00	179.41	8,600.0	-6,551.3	-222.9	366,316.76	871,271.58	32.0026200	-103.2689856	
15,800.0	90.00	179.41	8,600.0	-6,651.2	-221.9	366,216.76	871,272.60	32.0023451	-103.2689855	
15,900.0	90.00	179.41	8,600.0	-6,751.2	-220.9	366,116.77	871,273.63	32.0020703	-103.2689854	
16,000.0	90.00	179.41	8,600.0	-6,851.2	-219.8	366,016.77	871,274.65	32.0017954	-103.2689853	
16,100.0	90.00	179.41	8,600.0	-6,951.2	-218.8	365,916.78	871,275.67	32.0015205	-103.2689852	
16,200.0	90.00	179.41	8,600.0	-7,051.2	-217.8	365,816.78	871,276.69	32.0012457	-103.2689850	
16,300.0	90.00	179.41	8,600.0	-7,151.2	-216.8	365,716.79	871,277.71	32.0009708	-103.2689849	
16,400.0	90.00	179.41	8,600.0	-7,251.2	-215.7	365,616.79	871,278.73	32.0006959	-103.2689848	
16,488.9	90.00	179.41	8,600.0	-7,340.1	-214.8	365,527.92	871,279.64	32.0004516	-103.2689847	
TD at 16488.9										



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 063H
Company:	Ameredev Operating	TVD Reference:	KB=27' @ 2933.0usft
Project:	Lea County, NM (N83-NME)	MD Reference:	KB=27' @ 2933.0usft
Site:	Camelia_Azalea	North Reference:	Grid
Well:	AZALEA STATE COM 26-36-28 063H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWP0		

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)		
LTP (ASC 063H)	0.00	0.00	8,600.0	-7,290.1	-215.3	365,577.94	871,279.15	32.0005891	-103.2689847
- plan misses target center by 38.9usft at 16400.0usft MD (8600.0 TVD, -7251.2 N, -215.7 E)									
- Point									
FTP (ASC 063H)	0.00	0.00	8,600.0	226.8	-292.3	373,094.82	871,202.18	32.0212515	-103.2689942
- plan misses target center by 0.2usft at 8921.6usft MD (8600.0 TVD, 226.8 N, -292.1 E)									
- Point									
BHL (ASC 063H)	0.00	0.00	8,600.0	-7,340.1	-214.8	365,527.92	871,279.64	32.0004516	-103.2689847
- plan hits target center									
- Point									

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
1,500.0	1,500.0	0.0	0.0	Start Build 1.00
2,300.0	2,297.4	51.4	-21.7	Start 4679.6 hold at 2300.0 MD
4,433.0	4,409.6	324.8	-137.3	NMNM105464695 Entry at 4433.0 MD
6,979.6	6,931.5	651.2	-275.3	Start Drop -1.00
7,779.6	7,728.9	702.6	-297.0	Start 393.6 hold at 7779.6 MD
8,173.2	8,122.5	702.6	-297.0	KOP-Start DLS 12.00 TFO 179.41
8,825.0	8,589.9	322.7	-293.1	NMNM105464695 Exit at 8825.0 MD
8,923.2	8,600.0	225.2	-292.1	LP-Start 7565.7 hold at 8923.2 MD
16,488.9	8,600.0	-7,340.1	-214.8	TD at 16488.9

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Ameredev II, LLC **OGRID:** 372224 **Date:** 05/08/2023

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Azalea 26 36 28 State Com 063H	30-025-		330' FNL & 2020' FEL	600	11,977	1,971
Azalea 26 36 28 State Com 073H	30-025-		180' FNL & 1970' FEL	600	11,977	1,971
Azalea 26 36 28 State Com 183H	30-025-		180' FNL & 1990' FEL	600	11,977	1,971
Azalea 26 36 28 State Com 195H	30-025-		330' FNL & 1980' FEL	600	11,977	1,971
Azalea 26 36 28 State Com 263H	30-025-		180' FNL & 2010' FEL	600	11,977	1,971
Azalea 26 36 28 State Com 283H	30-025-		330' FNL & 2000' FEL	600	11,977	1,971

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
Azalea 26 36 28 State Com 063H	30-025-	01/12/2024	02/03/2024	04/27/2024	05/11/2024	05/14/2024
Azalea 26 36 28 State Com 073H	30-025-	01/27/2024	02/16/2023	05/06/2024	05/23/2024	05/26/2024
Azalea 26 36 28 State Com 183H	30-025-	02/09/2024	02/30/2024	05/22/2024	06/05/2024	06/08/2024
Azalea 26 36 28 State Com 195H	30-025-	02/28/2024	03/19/2024	06/18/2024	07/02/2024	07/05/2024
Azalea 26 36 28 State Com 263H	30-025-	03/22/2024	04/13/2024	07/04/2024	07/31/2024	08/03/2024
Azalea 26 36 28 State Com 283H	30-025-	04/15/2024	05/17/2024	08/01/2024	08/25/2024	08/28/2024

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>Cesca Yu</i>
Printed Name: Cesca Yu
Title: Engineer
E-mail Address: cyu@ameredev.com
Date: 05/08/2023
Phone: 512-775-1417

OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)

Approved By:
Title:
Approval Date:
Conditions of Approval:

Natural Gas Management Plan

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

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

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

19.15.27.8 (A)

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

19.15.27.8 (B) Venting and Flaring during drilling operations

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

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

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

19.15.27.8 (D) Venting and Flaring during production operations.

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

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

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

19.15.27.8 (E) Performance Standards

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

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

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

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

- Ameredev 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 Ameredev's 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