

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 340033

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 30-025-51472
4. Property Code 331807	5. Property Name AZALEA 26 36 28 STATE COM	6. Well No. 263H

7. Surface Location

UL - Lot B	Section 28	Township 26S	Range 36E	Lot Idn B	Feet From 180	N/S Line N	Feet From 2010	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 17326	18. Formation 1st Bone Spring Sand	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	9450	1167	0
Prod	6.75	5.5	23	17326	1349	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: 5/10/2023	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

WELL LOCATION AND ACREAGE DEDICATION PLAT S263620C; LOWER BONE

¹ API Number 30-025- 51472		² Pool Code XXX [98150]		³ Pool Name WC-0 5 G 6 S 63622F; BONE SPRING	
⁴ Property Code 331807		⁵ Property Name AZALEA 26 36 28 STATE COM			⁶ Well Number 263H
⁷ OGRID No. 372224		⁸ Operator Name AMEREDEV OPERATING, LLC.			⁹ Elevation 2906'
¹⁰ Surface Location					
UL or lot no. B	Section 28	Township 26-S	Range 36-E	Lot Idn -	Feet from the 180'
		North/South line NORTH		Feet from the 2010'	East/West line EAST
				County LEA	
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. 2	Section 33	Township 26-S	Range 36-E	Lot Idn -	Feet from the 50'
		North/South line SOUTH		Feet from the 2310'	East/West line EAST
				County 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>SURFACE LOCATION (SHL)</p> <p>180' FNL - SEC. 28 2010' FEL - SEC. 28 X=871503 Y=373018 LAT.: N 32.0210326 LONG.: W 103.2680263</p> <p>KICK OFF POINT (KOP)</p> <p>50' FNL - SEC. 28 2310' FEL - SEC. 28 X=871202 Y=373145 LAT.: N 32.0213889 LONG.: W 103.2689942</p> <p>FIRST TAKE POINT (FTP)</p> <p>100' FNL - SEC. 28 2310' FEL - SEC. 28 X=871202 Y=373095 LAT.: N 32.0212515 LONG.: W 103.2689942</p> <p>LAST TAKE POINT (LTP)</p> <p>100' FNL - SEC. 33 2310' FEL - SEC. 33 X=871279 Y=365578 LAT.: N 32.0005891 LONG.: W 103.2689847</p> <p>BOTTOM HOLE LOCATION (BHL)</p> <p>50' FSL - SEC. 33 2310' FEL - SEC. 33 X=871280 Y=365528 LAT.: N 32.0004516 LONG.: W 103.2689847</p>	<p>17 OPERATOR CERTIFICATION</p> <p>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</p> <p>Floyd Hammond Printed Name</p> <p>fhammond@ameredev.com E-mail Address</p> <p>18 SURVEYOR CERTIFICATION</p> <p>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</p> <p><i>Angel M. Baeza</i> Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p>
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions

Permit 340033

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: AMEREDEV OPERATING, LLC [372224] 2901 Via Fortuna Austin, TX 78746	API Number: 30-025-51472
	Well: AZALEA 26 36 28 STATE COM #263H

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 263H
SHL: Sec. 28 26S-36E 180' FNL & 2010' 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: 9,450'
MD: 17,326'
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 9,450'	444 Sacks TOC 0' 25% Excess 1,167 Sacks TOC 0' 25% Excess	7.5 - 9.4 ppg Diesel Brine Emulsion
12° Build @ 9,009' MD thru 9,759' MD	5.5" 23# P110 USS-Eagle SFH 17,326' Target First Bone Spring 9450 TVD // 17326 MD	1,349 Sacks TOC 0' 25% Excess	
6.75"			



Ameredev Operating

Lea County, NM (N83-NME)

Camelia_Azalea

AZALEA 26 36 28 STATE COM 263H

OWB

Plan: PWP0

Standard Planning Report - Geographic

02 May, 2023



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 263H
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 263H	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 263H				
Well Position	+N/-S	0.0 usft	Northing:	373,018.14 usft	Latitude:	32.0210326
	+E/-W	0.0 usft	Easting:	871,502.95 usft	Longitude:	-103.2680263
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	47,211.73817579

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	179.41

Plan Survey Tool Program	Date	5/2/2023		
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.0	17,325.6 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	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,700.0	7.00	331.04	2,698.3	37.4	-20.7	1.00	1.00	0.00	331.04	
7,185.1	7.00	331.04	7,150.0	515.6	-285.3	0.00	0.00	0.00	0.00	
7,885.1	0.00	0.00	7,848.2	553.0	-306.0	1.00	-1.00	0.00	180.00	
9,009.4	0.00	0.00	8,972.5	553.0	-306.0	0.00	0.00	0.00	0.00	
9,759.4	90.00	179.41	9,450.0	75.6	-301.1	12.00	12.00	23.92	179.41	
17,325.6	90.00	179.41	9,450.0	-7,490.2	-223.3	0.00	0.00	0.00	0.00	BHL (ASC 263H)



Planning Report - Geographic

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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 263H	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
0.0	0.00	0.00	0.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
100.0	0.00	0.00	100.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
200.0	0.00	0.00	200.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
300.0	0.00	0.00	300.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
400.0	0.00	0.00	400.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
500.0	0.00	0.00	500.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
600.0	0.00	0.00	600.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
700.0	0.00	0.00	700.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
800.0	0.00	0.00	800.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
900.0	0.00	0.00	900.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,000.0	0.00	0.00	1,000.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,100.0	0.00	0.00	1,100.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,200.0	0.00	0.00	1,200.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,300.0	0.00	0.00	1,300.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,400.0	0.00	0.00	1,400.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,500.0	0.00	0.00	1,500.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,600.0	0.00	0.00	1,600.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,700.0	0.00	0.00	1,700.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,731.0	0.00	0.00	1,731.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
Rustler									
1,800.0	0.00	0.00	1,800.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
1,900.0	0.00	0.00	1,900.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
2,000.0	0.00	0.00	2,000.0	0.0	0.0	373,018.14	871,502.95	32.0210326	-103.2680263
Start Build 1.00									
2,100.0	1.00	331.04	2,100.0	0.8	-0.4	373,018.90	871,502.53	32.0210347	-103.2680276
Salado									
2,200.0	2.00	331.04	2,200.0	3.1	-1.7	373,021.19	871,501.26	32.0210411	-103.2680316
2,300.0	3.00	331.04	2,299.9	6.9	-3.8	373,025.01	871,499.15	32.0210516	-103.2680383
2,400.0	4.00	331.04	2,399.7	12.2	-6.8	373,030.35	871,496.20	32.0210664	-103.2680477
2,500.0	5.00	331.04	2,499.4	19.1	-10.6	373,037.21	871,492.40	32.0210853	-103.2680597
2,600.0	6.00	331.04	2,598.9	27.5	-15.2	373,045.60	871,487.76	32.0211085	-103.2680744
2,700.0	7.00	331.04	2,698.3	37.4	-20.7	373,055.50	871,482.28	32.0211359	-103.2680918
Start 4485.1 hold at 2700.0 MD									
2,800.0	7.00	331.04	2,797.5	48.0	-26.6	373,066.17	871,476.37	32.0211654	-103.2681105
2,900.0	7.00	331.04	2,896.8	58.7	-32.5	373,076.83	871,470.47	32.0211948	-103.2681292
3,000.0	7.00	331.04	2,996.0	69.4	-38.4	373,087.49	871,464.57	32.0212243	-103.2681479
3,100.0	7.00	331.04	3,095.3	80.0	-44.3	373,098.16	871,458.67	32.0212538	-103.2681666
3,200.0	7.00	331.04	3,194.5	90.7	-50.2	373,108.82	871,452.77	32.0212832	-103.2681853
3,244.8	7.00	331.04	3,239.0	95.5	-52.8	373,113.60	871,450.13	32.0212964	-103.2681937
Tansill									
3,300.0	7.00	331.04	3,293.8	101.3	-56.1	373,119.48	871,446.87	32.0213127	-103.2682040
3,400.0	7.00	331.04	3,393.0	112.0	-62.0	373,130.15	871,440.97	32.0213422	-103.2682227
3,500.0	7.00	331.04	3,492.3	122.7	-67.9	373,140.81	871,435.07	32.0213716	-103.2682414
3,600.0	7.00	331.04	3,591.6	133.3	-73.8	373,151.47	871,429.17	32.0214011	-103.2682601
3,700.0	7.00	331.04	3,690.8	144.0	-79.7	373,162.14	871,423.27	32.0214306	-103.2682788
3,735.5	7.00	331.04	3,726.0	147.8	-81.8	373,165.92	871,421.18	32.0214410	-103.2682854
Capitan									
3,800.0	7.00	331.04	3,790.1	154.7	-85.6	373,172.80	871,417.37	32.0214600	-103.2682975
3,900.0	7.00	331.04	3,889.3	165.3	-91.5	373,183.46	871,411.47	32.0214895	-103.2683162
3,993.0	7.00	331.04	3,981.6	175.2	-97.0	373,193.38	871,405.98	32.0215169	-103.2683336
NMNM105464695 Entry at 3993.0 MD									
4,000.0	7.00	331.04	3,988.6	176.0	-97.4	373,194.13	871,405.57	32.0215190	-103.2683349
4,100.0	7.00	331.04	4,087.8	186.7	-103.3	373,204.79	871,399.67	32.0215484	-103.2683536
4,200.0	7.00	331.04	4,187.1	197.3	-109.2	373,215.45	871,393.77	32.0215779	-103.2683723



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 263H
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 263H	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	
4,300.0	7.00	331.04	4,286.3	208.0	-115.1	373,226.12	871,387.87	32.0216074	-103.2683910	
4,400.0	7.00	331.04	4,385.6	218.6	-121.0	373,236.78	871,381.97	32.0216369	-103.2684097	
4,500.0	7.00	331.04	4,484.8	229.3	-126.9	373,247.44	871,376.07	32.0216663	-103.2684284	
4,600.0	7.00	331.04	4,584.1	240.0	-132.8	373,258.11	871,370.17	32.0216958	-103.2684470	
4,700.0	7.00	331.04	4,683.4	250.6	-138.7	373,268.77	871,364.27	32.0217253	-103.2684657	
4,800.0	7.00	331.04	4,782.6	261.3	-144.6	373,279.43	871,358.37	32.0217547	-103.2684844	
4,900.0	7.00	331.04	4,881.9	272.0	-150.5	373,290.10	871,352.46	32.0217842	-103.2685031	
4,943.5	7.00	331.04	4,925.0	276.6	-153.1	373,294.73	871,349.90	32.0217970	-103.2685113	
Lamar										
5,000.0	7.00	331.04	4,981.1	282.6	-156.4	373,300.76	871,346.56	32.0218137	-103.2685218	
5,100.0	7.00	331.04	5,080.4	293.3	-162.3	373,311.42	871,340.66	32.0218431	-103.2685405	
5,114.7	7.00	331.04	5,095.0	294.9	-163.2	373,313.00	871,339.79	32.0218475	-103.2685433	
Bell Canyon										
5,200.0	7.00	331.04	5,179.6	304.0	-168.2	373,322.09	871,334.76	32.0218726	-103.2685592	
5,300.0	7.00	331.04	5,278.9	314.6	-174.1	373,332.75	871,328.86	32.0219021	-103.2685779	
5,400.0	7.00	331.04	5,378.1	325.3	-180.0	373,343.41	871,322.96	32.0219315	-103.2685966	
5,500.0	7.00	331.04	5,477.4	335.9	-185.9	373,354.08	871,317.06	32.0219610	-103.2686153	
5,600.0	7.00	331.04	5,576.6	346.6	-191.8	373,364.74	871,311.16	32.0219905	-103.2686340	
5,700.0	7.00	331.04	5,675.9	357.3	-197.7	373,375.40	871,305.26	32.0220199	-103.2686527	
5,800.0	7.00	331.04	5,775.2	367.9	-203.6	373,386.07	871,299.36	32.0220494	-103.2686714	
5,900.0	7.00	331.04	5,874.4	378.6	-209.5	373,396.73	871,293.46	32.0220789	-103.2686901	
6,000.0	7.00	331.04	5,973.7	389.3	-215.4	373,407.39	871,287.56	32.0221083	-103.2687088	
6,100.0	7.00	331.04	6,072.9	399.9	-221.3	373,418.06	871,281.66	32.0221378	-103.2687275	
6,200.0	7.00	331.04	6,172.2	410.6	-227.2	373,428.72	871,275.76	32.0221673	-103.2687462	
6,300.0	7.00	331.04	6,271.4	421.2	-233.1	373,439.38	871,269.86	32.0221967	-103.2687649	
6,400.0	7.00	331.04	6,370.7	431.9	-239.0	373,450.05	871,263.96	32.0222262	-103.2687836	
6,500.0	7.00	331.04	6,469.9	442.6	-244.9	373,460.71	871,258.06	32.0222557	-103.2688023	
6,600.0	7.00	331.04	6,569.2	453.2	-250.8	373,471.37	871,252.16	32.0222851	-103.2688210	
6,700.0	7.00	331.04	6,668.4	463.9	-256.7	373,482.04	871,246.26	32.0223146	-103.2688397	
6,800.0	7.00	331.04	6,767.7	474.6	-262.6	373,492.70	871,240.36	32.0223441	-103.2688584	
6,900.0	7.00	331.04	6,867.0	485.2	-268.5	373,503.36	871,234.46	32.0223736	-103.2688771	
7,000.0	7.00	331.04	6,966.2	495.9	-274.4	373,514.03	871,228.55	32.0224030	-103.2688958	
7,058.2	7.00	331.04	7,024.0	502.1	-277.8	373,520.24	871,225.12	32.0224202	-103.2689067	
Brushy Canyon										
7,100.0	7.00	331.04	7,065.5	506.6	-280.3	373,524.69	871,222.65	32.0224325	-103.2689145	
7,185.1	7.00	331.04	7,150.0	515.6	-285.3	373,533.77	871,217.63	32.0224576	-103.2689304	
Start Drop -1.00										
7,200.0	6.85	331.04	7,164.7	517.2	-286.2	373,535.34	871,216.76	32.0224619	-103.2689331	
7,300.0	5.85	331.04	7,264.1	526.9	-291.5	373,545.02	871,211.41	32.0224887	-103.2689501	
7,400.0	4.85	331.04	7,363.7	535.0	-296.1	373,553.18	871,206.89	32.0225112	-103.2689644	
7,500.0	3.85	331.04	7,463.4	541.7	-299.7	373,559.81	871,203.22	32.0225296	-103.2689761	
7,600.0	2.85	331.04	7,563.2	546.8	-302.6	373,564.93	871,200.39	32.0225437	-103.2689850	
7,700.0	1.85	331.04	7,663.1	550.4	-304.6	373,568.52	871,198.40	32.0225536	-103.2689913	
7,800.0	0.85	331.04	7,763.1	552.4	-305.7	373,570.58	871,197.26	32.0225593	-103.2689949	
7,885.1	0.00	0.00	7,848.2	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
Start 1124.3 hold at 7885.1 MD										
7,900.0	0.00	0.00	7,863.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,000.0	0.00	0.00	7,963.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,046.9	0.00	0.00	8,010.0	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
Bone Spring Lime										
8,100.0	0.00	0.00	8,063.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,200.0	0.00	0.00	8,163.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,300.0	0.00	0.00	8,263.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,400.0	0.00	0.00	8,363.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 263H
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 263H	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	
8,500.0	0.00	0.00	8,463.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,600.0	0.00	0.00	8,563.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,700.0	0.00	0.00	8,663.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,800.0	0.00	0.00	8,763.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
8,900.0	0.00	0.00	8,863.1	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
9,009.4	0.00	0.00	8,972.5	553.0	-306.0	373,571.14	871,196.95	32.0225608	-103.2689959	
KOP-Start DLS 12.00 TFO 179.41										
9,025.0	1.87	179.41	8,988.1	552.7	-306.0	373,570.88	871,196.96	32.0225601	-103.2689959	
9,050.0	4.87	179.41	9,013.0	551.3	-306.0	373,569.41	871,196.97	32.0225561	-103.2689959	
9,075.0	7.87	179.41	9,037.9	548.5	-306.0	373,566.64	871,197.00	32.0225485	-103.2689959	
9,100.0	10.87	179.41	9,062.5	544.4	-305.9	373,562.57	871,197.04	32.0225373	-103.2689959	
9,125.0	13.87	179.41	9,087.0	539.1	-305.9	373,557.21	871,197.10	32.0225226	-103.2689959	
9,150.0	16.87	179.41	9,111.1	532.5	-305.8	373,550.59	871,197.16	32.0225044	-103.2689959	
9,175.0	19.87	179.41	9,134.8	524.6	-305.7	373,542.71	871,197.24	32.0224827	-103.2689959	
9,200.0	22.87	179.41	9,158.1	515.5	-305.6	373,533.60	871,197.34	32.0224577	-103.2689959	
9,225.0	25.87	179.41	9,180.8	505.2	-305.5	373,523.29	871,197.44	32.0224293	-103.2689958	
9,250.0	28.87	179.41	9,203.0	493.7	-305.4	373,511.80	871,197.56	32.0223977	-103.2689958	
9,275.0	31.87	179.41	9,224.6	481.0	-305.3	373,499.16	871,197.69	32.0223630	-103.2689958	
9,300.0	34.87	179.41	9,245.5	467.3	-305.1	373,485.41	871,197.83	32.0223252	-103.2689958	
9,325.0	37.87	179.41	9,265.6	452.5	-305.0	373,470.59	871,197.99	32.0222845	-103.2689958	
9,350.0	40.87	179.41	9,284.9	436.6	-304.8	373,454.73	871,198.15	32.0222409	-103.2689957	
9,375.0	43.87	179.41	9,303.4	419.7	-304.6	373,437.89	871,198.32	32.0221946	-103.2689957	
9,400.0	46.87	179.41	9,321.0	402.0	-304.4	373,420.10	871,198.51	32.0221457	-103.2689957	
9,425.0	49.87	179.41	9,337.6	383.3	-304.3	373,401.41	871,198.70	32.0220943	-103.2689957	
9,450.0	52.87	179.41	9,353.2	363.8	-304.1	373,381.89	871,198.90	32.0220406	-103.2689956	
9,475.0	55.87	179.41	9,367.7	343.4	-303.8	373,361.57	871,199.11	32.0219848	-103.2689956	
9,500.0	58.87	179.41	9,381.2	322.4	-303.6	373,340.52	871,199.32	32.0219269	-103.2689956	
9,525.0	61.87	179.41	9,393.6	300.7	-303.4	373,318.79	871,199.55	32.0218672	-103.2689956	
9,550.0	64.87	179.41	9,404.8	278.3	-303.2	373,296.45	871,199.78	32.0218058	-103.2689955	
9,575.0	67.87	179.41	9,414.8	255.4	-302.9	373,273.55	871,200.01	32.0217428	-103.2689955	
9,600.0	70.87	179.41	9,423.6	232.0	-302.7	373,250.16	871,200.25	32.0216785	-103.2689955	
9,625.0	73.87	179.41	9,431.2	208.2	-302.5	373,226.33	871,200.50	32.0216131	-103.2689954	
9,650.0	76.87	179.41	9,437.5	184.0	-302.2	373,202.15	871,200.75	32.0215466	-103.2689954	
9,662.0	78.31	179.41	9,440.1	172.3	-302.1	373,190.45	871,200.87	32.0215144	-103.2689954	
NMNM105464695 Exit at 9662.0 MD										
9,675.0	79.87	179.41	9,442.5	159.5	-302.0	373,177.67	871,201.00	32.0214793	-103.2689954	
9,700.0	82.87	179.41	9,446.3	134.8	-301.7	373,152.95	871,201.25	32.0214113	-103.2689953	
9,725.0	85.87	179.41	9,448.7	109.9	-301.4	373,128.08	871,201.51	32.0213430	-103.2689953	
9,750.0	88.87	179.41	9,449.9	85.0	-301.2	373,103.11	871,201.76	32.0212743	-103.2689953	
9,759.4	90.00	179.41	9,450.0	75.6	-301.1	373,093.70	871,201.86	32.0212485	-103.2689952	
LP-Start 7566.2 hold at 9759.4 MD										
9,800.0	90.00	179.41	9,450.0	35.0	-300.7	373,053.11	871,202.28	32.0211369	-103.2689952	
9,900.0	90.00	179.41	9,450.0	-65.0	-299.6	372,953.12	871,203.31	32.0208620	-103.2689951	
10,000.0	90.00	179.41	9,450.0	-165.0	-298.6	372,853.12	871,204.33	32.0205872	-103.2689949	
10,100.0	90.00	179.41	9,450.0	-265.0	-297.6	372,753.13	871,205.36	32.0203123	-103.2689948	
10,200.0	90.00	179.41	9,450.0	-365.0	-296.6	372,653.13	871,206.39	32.0200374	-103.2689946	
10,300.0	90.00	179.41	9,450.0	-465.0	-295.5	372,553.14	871,207.42	32.0197626	-103.2689945	
10,400.0	90.00	179.41	9,450.0	-565.0	-294.5	372,453.14	871,208.45	32.0194877	-103.2689944	
10,500.0	90.00	179.41	9,450.0	-665.0	-293.5	372,353.15	871,209.47	32.0192128	-103.2689942	
10,600.0	90.00	179.41	9,450.0	-765.0	-292.5	372,253.15	871,210.50	32.0189380	-103.2689941	
10,700.0	90.00	179.41	9,450.0	-865.0	-291.4	372,153.16	871,211.53	32.0186631	-103.2689939	
10,800.0	90.00	179.41	9,450.0	-965.0	-290.4	372,053.16	871,212.56	32.0183882	-103.2689938	
10,900.0	90.00	179.41	9,450.0	-1,065.0	-289.4	371,953.17	871,213.59	32.0181134	-103.2689937	
11,000.0	90.00	179.41	9,450.0	-1,165.0	-288.3	371,853.17	871,214.61	32.0178385	-103.2689935	



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 263H
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 263H	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
11,100.0	90.00	179.41	9,450.0	-1,265.0	-287.3	371,753.18	871,215.64	32.0175636	-103.2689934
11,200.0	90.00	179.41	9,450.0	-1,365.0	-286.3	371,653.19	871,216.67	32.0172888	-103.2689932
11,300.0	90.00	179.41	9,450.0	-1,464.9	-285.3	371,553.19	871,217.70	32.0170139	-103.2689931
11,400.0	90.00	179.41	9,450.0	-1,564.9	-284.2	371,453.20	871,218.73	32.0167391	-103.2689930
11,500.0	90.00	179.41	9,450.0	-1,664.9	-283.2	371,353.20	871,219.75	32.0164642	-103.2689928
11,600.0	90.00	179.41	9,450.0	-1,764.9	-282.2	371,253.21	871,220.78	32.0161893	-103.2689927
11,700.0	90.00	179.41	9,450.0	-1,864.9	-281.1	371,153.21	871,221.81	32.0159145	-103.2689926
11,800.0	90.00	179.41	9,450.0	-1,964.9	-280.1	371,053.22	871,222.84	32.0156396	-103.2689924
11,900.0	90.00	179.41	9,450.0	-2,064.9	-279.1	370,953.22	871,223.87	32.0153647	-103.2689923
12,000.0	90.00	179.41	9,450.0	-2,164.9	-278.1	370,853.23	871,224.89	32.0150899	-103.2689921
12,100.0	90.00	179.41	9,450.0	-2,264.9	-277.0	370,753.23	871,225.92	32.0148150	-103.2689920
12,200.0	90.00	179.41	9,450.0	-2,364.9	-276.0	370,653.24	871,226.95	32.0145401	-103.2689919
12,300.0	90.00	179.41	9,450.0	-2,464.9	-275.0	370,553.24	871,227.98	32.0142653	-103.2689917
12,400.0	90.00	179.41	9,450.0	-2,564.9	-273.9	370,453.25	871,229.01	32.0139904	-103.2689916
12,500.0	90.00	179.41	9,450.0	-2,664.9	-272.9	370,353.25	871,230.03	32.0137155	-103.2689914
12,600.0	90.00	179.41	9,450.0	-2,764.9	-271.9	370,253.26	871,231.06	32.0134407	-103.2689913
12,700.0	90.00	179.41	9,450.0	-2,864.9	-270.9	370,153.26	871,232.09	32.0131658	-103.2689912
12,800.0	90.00	179.41	9,450.0	-2,964.9	-269.8	370,053.27	871,233.12	32.0128909	-103.2689910
12,900.0	90.00	179.41	9,450.0	-3,064.9	-268.8	369,953.28	871,234.15	32.0126161	-103.2689909
13,000.0	90.00	179.41	9,450.0	-3,164.9	-267.8	369,853.28	871,235.17	32.0123412	-103.2689907
13,100.0	90.00	179.41	9,450.0	-3,264.9	-266.8	369,753.29	871,236.20	32.0120663	-103.2689906
13,200.0	90.00	179.41	9,450.0	-3,364.8	-265.7	369,653.29	871,237.23	32.0117915	-103.2689905
13,300.0	90.00	179.41	9,450.0	-3,464.8	-264.7	369,553.30	871,238.26	32.0115166	-103.2689903
13,400.0	90.00	179.41	9,450.0	-3,564.8	-263.7	369,453.30	871,239.29	32.0112417	-103.2689902
13,500.0	90.00	179.41	9,450.0	-3,664.8	-262.6	369,353.31	871,240.31	32.0109669	-103.2689900
13,600.0	90.00	179.41	9,450.0	-3,764.8	-261.6	369,253.31	871,241.34	32.0106920	-103.2689899
13,700.0	90.00	179.41	9,450.0	-3,864.8	-260.6	369,153.32	871,242.37	32.0104171	-103.2689898
13,800.0	90.00	179.41	9,450.0	-3,964.8	-259.6	369,053.32	871,243.40	32.0101423	-103.2689896
13,900.0	90.00	179.41	9,450.0	-4,064.8	-258.5	368,953.33	871,244.43	32.0098674	-103.2689895
14,000.0	90.00	179.41	9,450.0	-4,164.8	-257.5	368,853.33	871,245.45	32.0095925	-103.2689893
14,100.0	90.00	179.41	9,450.0	-4,264.8	-256.5	368,753.34	871,246.48	32.0093177	-103.2689892
14,200.0	90.00	179.41	9,450.0	-4,364.8	-255.4	368,653.34	871,247.51	32.0090428	-103.2689891
14,300.0	90.00	179.41	9,450.0	-4,464.8	-254.4	368,553.35	871,248.54	32.0087680	-103.2689889
14,400.0	90.00	179.41	9,450.0	-4,564.8	-253.4	368,453.35	871,249.57	32.0084931	-103.2689888
14,500.0	90.00	179.41	9,450.0	-4,664.8	-252.4	368,353.36	871,250.59	32.0082182	-103.2689887
14,600.0	90.00	179.41	9,450.0	-4,764.8	-251.3	368,253.36	871,251.62	32.0079434	-103.2689885
14,700.0	90.00	179.41	9,450.0	-4,864.8	-250.3	368,153.37	871,252.65	32.0076685	-103.2689884
14,800.0	90.00	179.41	9,450.0	-4,964.8	-249.3	368,053.38	871,253.68	32.0073936	-103.2689882
14,900.0	90.00	179.41	9,450.0	-5,064.8	-248.2	367,953.38	871,254.71	32.0071188	-103.2689881
15,000.0	90.00	179.41	9,450.0	-5,164.8	-247.2	367,853.39	871,255.73	32.0068439	-103.2689880
15,100.0	90.00	179.41	9,450.0	-5,264.7	-246.2	367,753.39	871,256.76	32.0065690	-103.2689878
15,200.0	90.00	179.41	9,450.0	-5,364.7	-245.2	367,653.40	871,257.79	32.0062942	-103.2689877
15,300.0	90.00	179.41	9,450.0	-5,464.7	-244.1	367,553.40	871,258.82	32.0060193	-103.2689875
15,400.0	90.00	179.41	9,450.0	-5,564.7	-243.1	367,453.41	871,259.85	32.0057444	-103.2689874
15,500.0	90.00	179.41	9,450.0	-5,664.7	-242.1	367,353.41	871,260.87	32.0054696	-103.2689873
15,600.0	90.00	179.41	9,450.0	-5,764.7	-241.1	367,253.42	871,261.90	32.0051947	-103.2689871
15,700.0	90.00	179.41	9,450.0	-5,864.7	-240.0	367,153.42	871,262.93	32.0049198	-103.2689870
15,800.0	90.00	179.41	9,450.0	-5,964.7	-239.0	367,053.43	871,263.96	32.0046450	-103.2689868
15,900.0	90.00	179.41	9,450.0	-6,064.7	-238.0	366,953.43	871,264.99	32.0043701	-103.2689867
16,000.0	90.00	179.41	9,450.0	-6,164.7	-236.9	366,853.44	871,266.01	32.0040952	-103.2689866
16,100.0	90.00	179.41	9,450.0	-6,264.7	-235.9	366,753.44	871,267.04	32.0038204	-103.2689864
16,200.0	90.00	179.41	9,450.0	-6,364.7	-234.9	366,653.45	871,268.07	32.0035455	-103.2689863
16,300.0	90.00	179.41	9,450.0	-6,464.7	-233.9	366,553.45	871,269.10	32.0032706	-103.2689861
16,400.0	90.00	179.41	9,450.0	-6,564.7	-232.8	366,453.46	871,270.13	32.0029958	-103.2689860
16,500.0	90.00	179.41	9,450.0	-6,664.7	-231.8	366,353.47	871,271.15	32.0027209	-103.2689859



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 263H
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 263H	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	
16,600.0	90.00	179.41	9,450.0	-6,764.7	-230.8	366,253.47	871,272.18	32.0024460	-103.2689857	
16,700.0	90.00	179.41	9,450.0	-6,864.7	-229.7	366,153.48	871,273.21	32.0021712	-103.2689856	
16,800.0	90.00	179.41	9,450.0	-6,964.7	-228.7	366,053.48	871,274.24	32.0018963	-103.2689854	
16,900.0	90.00	179.41	9,450.0	-7,064.7	-227.7	365,953.49	871,275.27	32.0016214	-103.2689853	
17,000.0	90.00	179.41	9,450.0	-7,164.6	-226.7	365,853.49	871,276.29	32.0013466	-103.2689852	
17,100.0	90.00	179.41	9,450.0	-7,264.6	-225.6	365,753.50	871,277.32	32.0010717	-103.2689850	
17,200.0	90.00	179.41	9,450.0	-7,364.6	-224.6	365,653.50	871,278.35	32.0007968	-103.2689849	
17,300.0	90.00	179.41	9,450.0	-7,464.6	-223.6	365,553.51	871,279.38	32.0005220	-103.2689847	
17,325.6	90.00	179.41	9,450.0	-7,490.2	-223.3	365,527.92	871,279.64	32.0004516	-103.2689847	
TD at 17325.6										

Design Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
LTP (ASC 263H) - hit/miss target - Shape - Point	0.00	0.00	9,450.0	-7,440.2	-223.8	365,577.94	871,279.15	32.0005891	-103.2689847	
BHL (ASC 263H) - plan hits target center - Point	0.00	0.00	9,450.0	-7,490.2	-223.3	365,527.92	871,279.64	32.0004516	-103.2689847	
FTP (ASC 263H) - plan misses target center by 0.3usft at 9758.3usft MD (9450.0 TVD, 76.7 N, -301.1 E) - Point	0.00	0.00	9,450.0	76.7	-300.8	373,094.82	871,202.18	32.0212515	-103.2689942	

Formations							
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)		
1,731.0	1,731.0	Rustler					
2,100.0	2,100.0	Salado					
3,244.8	3,239.0	Tansill					
3,735.5	3,726.0	Capitan					
4,943.5	4,925.0	Lamar					
5,114.7	5,095.0	Bell Canyon					
7,058.2	7,024.0	Brushy Canyon					
8,046.9	8,010.0	Bone Spring Lime					



Planning Report - Geographic

Database:	AUS-COMPASS - EDM_15 - 32bit	Local Co-ordinate Reference:	Well AZALEA STATE COM26-36-28 263H
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 263H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OWB		
Design:	PWP0		

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 1.00
2,700.0	2,698.3	37.4	-20.7	Start 4485.1 hold at 2700.0 MD
3,993.0	3,981.6	175.2	-97.0	NMNM105464695 Entry at 3993.0 MD
7,185.1	7,150.0	515.6	-285.3	Start Drop -1.00
7,885.1	7,848.2	553.0	-306.0	Start 1124.3 hold at 7885.1 MD
9,009.4	8,972.5	553.0	-306.0	KOP-Start DLS 12.00 TFO 179.41
9,662.0	9,440.1	172.3	-302.1	NMNM105464695 Exit at 9662.0 MD
9,759.4	9,450.0	75.6	-301.1	LP-Start 7566.2 hold at 9759.4 MD
17,325.6	9,450.0	-7,490.2	-223.3	TD at 17325.6

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