

**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 339830

**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 30-025-51474
4. Property Code 331807	5. Property Name AZALEA 26 36 28 STATE COM	6. Well No. 383H

**7. Surface Location**

UL - Lot B	Section 28	Township 26S	Range 36E	Lot Idn B	Feet From 330	N/S Line N	Feet From 1960	E/W Line E	County Lea
---------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

**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 1650	E/W Line E	County Lea
---------------	---------------	-----------------	--------------	--------------	-----------------	---------------	-------------------	---------------	---------------

**9. Pool Information**

WC-025 G-08 S263620C:LWR BONE SPRIN	98150
-------------------------------------	-------

**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 18780	18. Formation 3rd Bone Spring Carbonate	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	1512	0
Int1	9.875	7.625	29.7	10947	2399	0
Prod	6.75	5.5	23	18780	1462	0

**Casing/Cement Program: Additional Comments**

--

**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.  Signature:	<b>OIL CONSERVATION DIVISION</b>	
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

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 Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025- 51474</b>		<sup>2</sup> Pool Code <b>98150</b>		<sup>3</sup> Pool Name <b>WC-025 G-08 S263620C; LWR BONE SPRING</b>	
<sup>4</sup> Property Code <b>331807</b>		<sup>5</sup> Property Name <b>AZALEA 26 36 28 STATE COM</b>			<sup>6</sup> Well Number <b>383H</b>
<sup>7</sup> OGRID No. <b>372224</b>		<sup>8</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>			<sup>9</sup> Elevation <b>2906'</b>

<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>B</b>	<b>28</b>	<b>26-S</b>	<b>36-E</b>	<b>-</b>	<b>330'</b>	<b>NORTH</b>	<b>1960'</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>2</b>	<b>33</b>	<b>26-S</b>	<b>36-E</b>	<b>-</b>	<b>50'</b>	<b>SOUTH</b>	<b>1650'</b>	<b>EAST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>233.72</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> 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 1960' FEL - SEC. 28 X=871554 Y=372869 LAT.: N 32.0206204 LONG.: W 103.2678648</p> <p><u>KICK OFF POINT (KOP)</u> 50' FNL - SEC. 28 1650' FEL - SEC. 28 X=871862 Y=373152 LAT.: N 32.0213910 LONG.: W 103.2668649</p> <p><u>FIRST TAKE POINT (FTP)</u> 100' FNL - SEC. 28 1650' FEL - SEC. 28 X=871862 Y=373102 LAT.: N 32.0212536 LONG.: W 103.2668648</p> <p><u>LAST TAKE POINT (LTP)</u> 100' FNL - SEC. 33 1650' FEL - SEC. 33 X=871939 Y=365586 LAT.: N 32.0005930 LONG.: W 103.2668559</p> <p><u>BOTTOM HOLE LOCATION (BHL)</u> 50' FSL - SEC. 33 1650' FEL - SEC. 33 X=871940 Y=365536 LAT.: N 32.0004556 LONG.: W 103.2668558</p>	<p><sup>17</sup>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Floyd Hammond</i> <b>5/8/2023</b> Signature Date</p> <p><b>Floyd Hammond</b> Printed Name</p> <p><b>fhammond@ameredev.com</b> E-mail Address</p> <p><sup>18</sup>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p><b>04/25/2023</b> Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p> ANGEL M. BAEZA NEW MEXICO 25116 PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p>
--	--	---

**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 APD Conditions

Permit 339830

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: AMEREDEV OPERATING, LLC [372224] 2901 Via Fortuna Austin, TX 78746	API Number: 30-025-51474
	Well: AZALEA 26 36 28 STATE COM #383H

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 383H  
**SHL:** Sec. 28 26S-36E 330' FNL & 1960' FEL  
**BHL:** Sec. 33 26S-36E 50' FSL & 1650' 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:** xxxxxx  
**AFE No.:** xxxx-xxx  
**API No.:** xxxxxxxxxxxx  
**GL:** 2,906'  
**Field:** Delaware  
**Objective:** Third Bone Spring  
**TVD:** 10,900'  
**MD:** 18,780'  
**Rig:** TBD **KB 27'**  
**E-Mail:** [Wellsite2@ameredev.com](mailto:Wellsite2@ameredev.com)

Hole Size	Formation Tops	Logs	Cement	Mud Weight
17.5"	Rustler 1,731' <b>13.375" 68# J-55 BTC 1,856'</b>	1,512 Sacks TOC 0'	100% Excess	8.4-8.6 ppg WBM
12.25"	Salado 2,100' DV Tool with ACP 3,239' Tansill 3,239' Capitan Reef 3,726' Lamar 4,925' Bell Canyon 5,095' <b>No Casing 5,050'</b>	819 Sacks TOC 0'	50% Excess	7.5-9.4 Diesel Brine Emulsion
9.875"	Brushy Canyon 7,024' Bone Spring Lime 8,010' First Bone Spring 9,554' Second Bone Spring 10,171' Third Bone Spring Carbonate 10,822' <b>7.625" 29.7# L-80HC BTC 10,947'</b>	2,399 Sacks TOC 0'	50% Excess	
6.75"	<b>5.5" 23# P-110 USS-Eagle SFH 18,780'</b> <b>Target Third Bone Spring 10900 TVD // 18780 MD</b>	1,462 Sacks TOC 0'	25% Excess	10.5-12.5 ppg OBM



## **Ameredev Operating**

**Lea County, NM (N83-NME)**

**Camelia\_Azalea**

**AZALEA STATE COM 26-36-28 383H**

**OWB**

**Plan: PWP0**

## **Standard Planning Report - Geographic**

**02 May, 2023**



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PWP0		

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

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 383H					
Well Position	+N/-S	0.0 usft	Northing:	372,868.67 usft	Latitude:	32.0206204
	+E/-W	0.0 usft	Easting:	871,554.49 usft	Longitude:	-103.2678648
Position Uncertainty		3.0 usft	Wellhead Elevation:	usft	Ground Level:	2,906.0 usft
Grid Convergence:		0.57 °				

<b>Wellbore</b>	OWB				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2020	5/1/2023	6.17	59.69	47,211.50955992

<b>Design</b>	PWP0			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.0
<b>Vertical Section:</b>	<b>Depth From (TVD) (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Direction (°)</b>
	0.0	0.0	0.0	176.99

<b>Plan Survey Tool Program</b>	<b>Date</b>	5/2/2023		
<b>Depth From (usft)</b>	<b>Depth To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>
1	0.0	18,779.3 PWP0 (OWB)	MWD	
			OWSG MWD - Standard	

<b>Plan Sections</b>										
<b>Measured Depth (usft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (usft)</b>	<b>+N/-S (usft)</b>	<b>+E/-W (usft)</b>	<b>Dogleg Rate (°/100usft)</b>	<b>Build Rate (°/100usft)</b>	<b>Turn Rate (°/100usft)</b>	<b>TFO (°)</b>	<b>Target</b>
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,700.0	7.00	23.23	2,698.3	39.2	16.8	1.00	1.00	0.00	23.23	
8,303.2	7.00	23.23	8,259.7	666.8	286.2	0.00	0.00	0.00	0.00	
9,003.2	0.00	0.00	8,958.0	706.0	303.0	1.00	-1.00	0.00	180.00	
10,467.7	0.00	0.00	10,422.5	706.0	303.0	0.00	0.00	0.00	0.00	
11,217.7	90.00	179.41	10,900.0	228.6	307.9	12.00	12.00	23.92	179.41	
18,779.5	90.00	179.41	10,900.0	-7,332.8	385.1	0.00	0.00	0.00	0.00	BHL (ASC 383H)



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	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	372,868.67	871,554.49	32.0206204	-103.2678648
100.0	0.00	0.00	100.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
200.0	0.00	0.00	200.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
300.0	0.00	0.00	300.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
400.0	0.00	0.00	400.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
500.0	0.00	0.00	500.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
600.0	0.00	0.00	600.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
700.0	0.00	0.00	700.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
800.0	0.00	0.00	800.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
900.0	0.00	0.00	900.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,000.0	0.00	0.00	1,000.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,100.0	0.00	0.00	1,100.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,200.0	0.00	0.00	1,200.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,300.0	0.00	0.00	1,300.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,400.0	0.00	0.00	1,400.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,500.0	0.00	0.00	1,500.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,600.0	0.00	0.00	1,600.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,700.0	0.00	0.00	1,700.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,731.0	0.00	0.00	1,731.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
<b>Rustler</b>									
1,800.0	0.00	0.00	1,800.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
1,900.0	0.00	0.00	1,900.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
2,000.0	0.00	0.00	2,000.0	0.0	0.0	372,868.67	871,554.49	32.0206204	-103.2678648
<b>Start Build 1.00</b>									
2,100.0	1.00	23.23	2,100.0	0.8	0.3	372,869.48	871,554.83	32.0206226	-103.2678637
<b>Salado</b>									
2,200.0	2.00	23.23	2,200.0	3.2	1.4	372,871.88	871,555.86	32.0206292	-103.2678603
2,300.0	3.00	23.23	2,299.9	7.2	3.1	372,875.89	871,557.58	32.0206402	-103.2678546
2,400.0	4.00	23.23	2,399.7	12.8	5.5	372,881.50	871,559.99	32.0206555	-103.2678466
2,500.0	5.00	23.23	2,499.4	20.0	8.6	372,888.71	871,563.09	32.0206753	-103.2678364
2,600.0	6.00	23.23	2,598.9	28.8	12.4	372,897.52	871,566.87	32.0206994	-103.2678239
2,700.0	7.00	23.23	2,698.3	39.2	16.8	372,907.92	871,571.33	32.0207278	-103.2678092
<b>Start 5603.2 hold at 2700.0 MD</b>									
2,800.0	7.00	23.23	2,797.5	50.4	21.6	372,919.12	871,576.14	32.0207585	-103.2677933
2,900.0	7.00	23.23	2,896.8	61.6	26.5	372,930.32	871,580.94	32.0207891	-103.2677775
3,000.0	7.00	23.23	2,996.0	72.8	31.3	372,941.52	871,585.75	32.0208198	-103.2677616
3,100.0	7.00	23.23	3,095.3	84.0	36.1	372,952.72	871,590.56	32.0208504	-103.2677458
3,200.0	7.00	23.23	3,194.5	95.2	40.9	372,963.91	871,595.36	32.0208811	-103.2677299
3,244.8	7.00	23.23	3,239.0	100.3	43.0	372,968.93	871,597.52	32.0208948	-103.2677228
<b>Tansill</b>									
3,300.0	7.00	23.23	3,293.8	106.4	45.7	372,975.11	871,600.17	32.0209117	-103.2677140
3,400.0	7.00	23.23	3,393.0	117.6	50.5	372,986.31	871,604.98	32.0209424	-103.2676982
3,500.0	7.00	23.23	3,492.3	128.8	55.3	372,997.51	871,609.78	32.0209730	-103.2676823
3,600.0	7.00	23.23	3,591.6	140.0	60.1	373,008.71	871,614.59	32.0210037	-103.2676664
3,700.0	7.00	23.23	3,690.8	151.2	64.9	373,019.91	871,619.39	32.0210343	-103.2676506
3,735.5	7.00	23.23	3,726.0	155.2	66.6	373,023.88	871,621.10	32.0210452	-103.2676450
<b>Capitan</b>									
3,800.0	7.00	23.23	3,790.1	162.4	69.7	373,031.11	871,624.20	32.0210650	-103.2676347
3,900.0	7.00	23.23	3,889.3	173.6	74.5	373,042.31	871,629.01	32.0210956	-103.2676189
4,000.0	7.00	23.23	3,988.6	184.8	79.3	373,053.51	871,633.81	32.0211263	-103.2676030
4,100.0	7.00	23.23	4,087.8	196.0	84.1	373,064.71	871,638.62	32.0211569	-103.2675871
4,200.0	7.00	23.23	4,187.1	207.2	88.9	373,075.91	871,643.43	32.0211876	-103.2675713
4,300.0	7.00	23.23	4,286.3	218.4	93.7	373,087.10	871,648.23	32.0212182	-103.2675554
4,400.0	7.00	23.23	4,385.6	229.6	98.6	373,098.30	871,653.04	32.0212489	-103.2675395



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	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	
4,500.0	7.00	23.23	4,484.8	240.8	103.4	373,109.50	871,657.85	32.0212795	-103.2675237	
4,600.0	7.00	23.23	4,584.1	252.0	108.2	373,120.70	871,662.65	32.0213102	-103.2675078	
4,700.0	7.00	23.23	4,683.4	263.2	113.0	373,131.90	871,667.46	32.0213408	-103.2674920	
4,800.0	7.00	23.23	4,782.6	274.4	117.8	373,143.10	871,672.26	32.0213715	-103.2674761	
4,900.0	7.00	23.23	4,881.9	285.6	122.6	373,154.30	871,677.07	32.0214022	-103.2674602	
4,943.5	7.00	23.23	4,925.0	290.5	124.7	373,159.17	871,679.16	32.0214155	-103.2674533	
Lamar										
5,000.0	7.00	23.23	4,981.1	296.8	127.4	373,165.50	871,681.88	32.0214328	-103.2674444	
5,100.0	7.00	23.23	5,080.4	308.0	132.2	373,176.70	871,686.68	32.0214635	-103.2674285	
5,114.7	7.00	23.23	5,095.0	309.7	132.9	373,178.35	871,687.39	32.0214680	-103.2674262	
Bell Canyon										
5,200.0	7.00	23.23	5,179.6	319.2	137.0	373,187.90	871,691.49	32.0214941	-103.2674126	
5,275.0	7.00	23.23	5,254.1	327.6	140.6	373,196.29	871,695.09	32.0215171	-103.2674008	
NMNM105464695 Entry at 5275.0 MD										
5,300.0	7.00	23.23	5,278.9	330.4	141.8	373,199.10	871,696.30	32.0215248	-103.2673968	
5,400.0	7.00	23.23	5,378.1	341.6	146.6	373,210.29	871,701.10	32.0215554	-103.2673809	
5,500.0	7.00	23.23	5,477.4	352.8	151.4	373,221.49	871,705.91	32.0215861	-103.2673651	
5,600.0	7.00	23.23	5,576.6	364.0	156.2	373,232.69	871,710.72	32.0216167	-103.2673492	
5,700.0	7.00	23.23	5,675.9	375.2	161.0	373,243.89	871,715.52	32.0216474	-103.2673333	
5,800.0	7.00	23.23	5,775.2	386.4	165.8	373,255.09	871,720.33	32.0216780	-103.2673175	
5,900.0	7.00	23.23	5,874.4	397.6	170.6	373,266.29	871,725.14	32.0217087	-103.2673016	
6,000.0	7.00	23.23	5,973.7	408.8	175.5	373,277.49	871,729.94	32.0217393	-103.2672857	
6,100.0	7.00	23.23	6,072.9	420.0	180.3	373,288.69	871,734.75	32.0217700	-103.2672699	
6,200.0	7.00	23.23	6,172.2	431.2	185.1	373,299.89	871,739.55	32.0218006	-103.2672540	
6,300.0	7.00	23.23	6,271.4	442.4	189.9	373,311.09	871,744.36	32.0218313	-103.2672382	
6,400.0	7.00	23.23	6,370.7	453.6	194.7	373,322.29	871,749.17	32.0218619	-103.2672223	
6,500.0	7.00	23.23	6,469.9	464.8	199.5	373,333.48	871,753.97	32.0218926	-103.2672064	
6,600.0	7.00	23.23	6,569.2	476.0	204.3	373,344.68	871,758.78	32.0219232	-103.2671906	
6,700.0	7.00	23.23	6,668.4	487.2	209.1	373,355.88	871,763.59	32.0219539	-103.2671747	
6,800.0	7.00	23.23	6,767.7	498.4	213.9	373,367.08	871,768.39	32.0219845	-103.2671588	
6,900.0	7.00	23.23	6,867.0	509.6	218.7	373,378.28	871,773.20	32.0220152	-103.2671430	
7,000.0	7.00	23.23	6,966.2	520.8	223.5	373,389.48	871,778.01	32.0220458	-103.2671271	
7,058.2	7.00	23.23	7,024.0	527.3	226.3	373,396.00	871,780.80	32.0220637	-103.2671179	
Brushy Canyon										
7,100.0	7.00	23.23	7,065.5	532.0	228.3	373,400.68	871,782.81	32.0220765	-103.2671113	
7,200.0	7.00	23.23	7,164.7	543.2	233.1	373,411.88	871,787.62	32.0221071	-103.2670954	
7,300.0	7.00	23.23	7,264.0	554.4	237.9	373,423.08	871,792.43	32.0221378	-103.2670795	
7,400.0	7.00	23.23	7,363.2	565.6	242.7	373,434.28	871,797.23	32.0221684	-103.2670637	
7,500.0	7.00	23.23	7,462.5	576.8	247.6	373,445.48	871,802.04	32.0221991	-103.2670478	
7,600.0	7.00	23.23	7,561.7	588.0	252.4	373,456.67	871,806.84	32.0222297	-103.2670319	
7,700.0	7.00	23.23	7,661.0	599.2	257.2	373,467.87	871,811.65	32.0222604	-103.2670161	
7,800.0	7.00	23.23	7,760.2	610.4	262.0	373,479.07	871,816.46	32.0222910	-103.2670002	
7,900.0	7.00	23.23	7,859.5	621.6	266.8	373,490.27	871,821.26	32.0223217	-103.2669844	
8,000.0	7.00	23.23	7,958.8	632.8	271.6	373,501.47	871,826.07	32.0223523	-103.2669685	
8,051.6	7.00	23.23	8,010.0	638.6	274.1	373,507.25	871,828.55	32.0223681	-103.2669603	
Bone Spring Lime										
8,100.0	7.00	23.23	8,058.0	644.0	276.4	373,512.67	871,830.88	32.0223830	-103.2669526	
8,200.0	7.00	23.23	8,157.3	655.2	281.2	373,523.87	871,835.68	32.0224136	-103.2669368	
8,303.2	7.00	23.23	8,259.7	666.8	286.2	373,535.43	871,840.64	32.0224453	-103.2669204	
Start Drop -1.00										
8,400.0	6.03	23.23	8,355.9	676.8	290.5	373,545.52	871,844.98	32.0224729	-103.2669061	
8,500.0	5.03	23.23	8,455.4	685.7	294.3	373,554.38	871,848.78	32.0224971	-103.2668935	
8,600.0	4.03	23.23	8,555.1	693.0	297.4	373,561.64	871,851.89	32.0225170	-103.2668833	
8,700.0	3.03	23.23	8,654.9	698.6	299.8	373,567.30	871,854.32	32.0225325	-103.2668752	



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	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	
8,800.0	2.03	23.23	8,754.8	702.7	301.6	373,571.36	871,856.07	32.0225436	-103.2668695	
8,900.0	1.03	23.23	8,854.8	705.1	302.6	373,573.82	871,857.12	32.0225503	-103.2668660	
9,003.2	0.00	0.00	8,958.0	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
Start 1464.5 hold at 9003.2 MD										
9,100.0	0.00	0.00	9,054.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,200.0	0.00	0.00	9,154.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,300.0	0.00	0.00	9,254.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,400.0	0.00	0.00	9,354.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,500.0	0.00	0.00	9,454.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,599.2	0.00	0.00	9,554.0	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
First Bone Spring										
9,600.0	0.00	0.00	9,554.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,700.0	0.00	0.00	9,654.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,800.0	0.00	0.00	9,754.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
9,900.0	0.00	0.00	9,854.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
10,000.0	0.00	0.00	9,954.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
10,100.0	0.00	0.00	10,054.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
10,200.0	0.00	0.00	10,154.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
10,216.2	0.00	0.00	10,171.0	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
Second Bone Spring										
10,300.0	0.00	0.00	10,254.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
10,400.0	0.00	0.00	10,354.8	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
10,467.7	0.00	0.00	10,422.5	706.0	303.0	373,574.67	871,857.49	32.0225527	-103.2668648	
KOP-Start DLS 12.00 TFO 179.41										
10,475.0	0.87	179.41	10,429.8	705.9	303.0	373,574.62	871,857.49	32.0225525	-103.2668648	
10,500.0	3.87	179.41	10,454.7	704.9	303.0	373,573.58	871,857.50	32.0225497	-103.2668648	
10,525.0	6.87	179.41	10,479.6	702.6	303.0	373,571.24	871,857.52	32.0225432	-103.2668648	
10,550.0	9.87	179.41	10,504.3	698.9	303.1	373,567.61	871,857.56	32.0225332	-103.2668648	
10,575.0	12.87	179.41	10,528.9	694.0	303.1	373,562.68	871,857.61	32.0225197	-103.2668648	
10,600.0	15.87	179.41	10,553.1	687.8	303.2	373,556.47	871,857.67	32.0225026	-103.2668648	
10,625.0	18.87	179.41	10,576.9	680.3	303.3	373,549.01	871,857.75	32.0224821	-103.2668648	
10,650.0	21.87	179.41	10,600.4	671.6	303.4	373,540.31	871,857.84	32.0224582	-103.2668648	
10,675.0	24.87	179.41	10,623.3	661.7	303.5	373,530.40	871,857.94	32.0224310	-103.2668648	
10,700.0	27.87	179.41	10,645.7	650.6	303.6	373,519.29	871,858.05	32.0224004	-103.2668647	
10,725.0	30.87	179.41	10,667.5	638.4	303.7	373,507.03	871,858.18	32.0223667	-103.2668647	
10,750.0	33.87	179.41	10,688.6	625.0	303.8	373,493.65	871,858.31	32.0223300	-103.2668647	
10,775.0	36.87	179.41	10,709.0	610.5	304.0	373,479.18	871,858.46	32.0222902	-103.2668647	
10,800.0	39.87	179.41	10,728.6	595.0	304.1	373,463.67	871,858.62	32.0222475	-103.2668647	
10,825.0	42.87	179.41	10,747.3	578.5	304.3	373,447.15	871,858.79	32.0222021	-103.2668647	
10,850.0	45.87	179.41	10,765.2	561.0	304.5	373,429.67	871,858.97	32.0221541	-103.2668646	
10,875.0	48.87	179.41	10,782.1	542.6	304.7	373,411.28	871,859.16	32.0221035	-103.2668646	
10,900.0	51.87	179.41	10,798.1	523.4	304.9	373,392.02	871,859.35	32.0220506	-103.2668646	
10,925.0	54.87	179.41	10,813.0	503.3	305.1	373,371.96	871,859.56	32.0219955	-103.2668646	
10,941.0	56.79	179.41	10,822.0	490.0	305.2	373,358.70	871,859.69	32.0219590	-103.2668646	
Third Bone Spring Carb										
10,950.0	57.87	179.41	10,826.8	482.5	305.3	373,351.15	871,859.77	32.0219382	-103.2668646	
10,975.0	60.87	179.41	10,839.6	461.0	305.5	373,329.64	871,859.99	32.0218791	-103.2668645	
11,000.0	63.87	179.41	10,851.2	438.8	305.7	373,307.50	871,860.22	32.0218183	-103.2668645	
11,025.0	66.87	179.41	10,861.6	416.1	306.0	373,284.78	871,860.45	32.0217558	-103.2668645	
11,050.0	69.87	179.41	10,870.8	392.9	306.2	373,261.54	871,860.69	32.0216919	-103.2668645	
11,075.0	72.87	179.41	10,878.8	369.2	306.4	373,237.85	871,860.93	32.0216268	-103.2668644	
11,100.0	75.87	179.41	10,885.5	345.1	306.7	373,213.78	871,861.17	32.0215606	-103.2668644	
11,117.0	77.91	179.41	10,889.4	328.6	306.9	373,197.25	871,861.34	32.0215152	-103.2668644	
NMNM105464695 Exit at 11117.0 MD										



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	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	
11,125.0	78.87	179.41	10,891.0	320.7	306.9	373,189.39	871,861.42	32.0214936	-103.2668644	
11,150.0	81.87	179.41	10,895.2	296.1	307.2	373,164.75	871,861.67	32.0214259	-103.2668643	
11,175.0	84.87	179.41	10,898.1	271.2	307.4	373,139.92	871,861.93	32.0213576	-103.2668643	
11,200.0	87.87	179.41	10,899.6	246.3	307.7	373,114.97	871,862.18	32.0212890	-103.2668643	
11,217.7	90.00	179.41	10,900.0	228.6	307.9	373,097.24	871,862.36	32.0212403	-103.2668643	
LP-Start 7561.8 hold at 11217.7 MD										
11,300.0	90.00	179.41	10,900.0	146.3	308.7	373,014.98	871,863.20	32.0210142	-103.2668642	
11,400.0	90.00	179.41	10,900.0	46.3	309.7	372,914.99	871,864.23	32.0207393	-103.2668641	
11,500.0	90.00	179.41	10,900.0	-53.7	310.8	372,814.99	871,865.25	32.0204645	-103.2668640	
11,600.0	90.00	179.41	10,900.0	-153.7	311.8	372,715.00	871,866.27	32.0201896	-103.2668638	
11,700.0	90.00	179.41	10,900.0	-253.7	312.8	372,615.00	871,867.29	32.0199147	-103.2668637	
11,800.0	90.00	179.41	10,900.0	-353.7	313.8	372,515.01	871,868.31	32.0196399	-103.2668636	
11,900.0	90.00	179.41	10,900.0	-453.7	314.8	372,415.01	871,869.33	32.0193650	-103.2668635	
12,000.0	90.00	179.41	10,900.0	-553.7	315.9	372,315.02	871,870.35	32.0190901	-103.2668634	
12,100.0	90.00	179.41	10,900.0	-653.6	316.9	372,215.03	871,871.38	32.0188153	-103.2668633	
12,200.0	90.00	179.41	10,900.0	-753.6	317.9	372,115.03	871,872.40	32.0185404	-103.2668632	
12,300.0	90.00	179.41	10,900.0	-853.6	318.9	372,015.04	871,873.42	32.0182655	-103.2668631	
12,400.0	90.00	179.41	10,900.0	-953.6	320.0	371,915.04	871,874.44	32.0179907	-103.2668630	
12,500.0	90.00	179.41	10,900.0	-1,053.6	321.0	371,815.05	871,875.46	32.0177158	-103.2668628	
12,600.0	90.00	179.41	10,900.0	-1,153.6	322.0	371,715.05	871,876.48	32.0174409	-103.2668627	
12,700.0	90.00	179.41	10,900.0	-1,253.6	323.0	371,615.06	871,877.51	32.0171661	-103.2668626	
12,800.0	90.00	179.41	10,900.0	-1,353.6	324.0	371,515.06	871,878.53	32.0168912	-103.2668625	
12,900.0	90.00	179.41	10,900.0	-1,453.6	325.1	371,415.07	871,879.55	32.0166163	-103.2668624	
13,000.0	90.00	179.41	10,900.0	-1,553.6	326.1	371,315.07	871,880.57	32.0163415	-103.2668623	
13,100.0	90.00	179.41	10,900.0	-1,653.6	327.1	371,215.08	871,881.59	32.0160666	-103.2668622	
13,200.0	90.00	179.41	10,900.0	-1,753.6	328.1	371,115.08	871,882.61	32.0157918	-103.2668621	
13,300.0	90.00	179.41	10,900.0	-1,853.6	329.1	371,015.09	871,883.63	32.0155169	-103.2668620	
13,400.0	90.00	179.41	10,900.0	-1,953.6	330.2	370,915.09	871,884.66	32.0152420	-103.2668618	
13,500.0	90.00	179.41	10,900.0	-2,053.6	331.2	370,815.10	871,885.68	32.0149672	-103.2668617	
13,600.0	90.00	179.41	10,900.0	-2,153.6	332.2	370,715.10	871,886.70	32.0146923	-103.2668616	
13,700.0	90.00	179.41	10,900.0	-2,253.6	333.2	370,615.11	871,887.72	32.0144174	-103.2668615	
13,800.0	90.00	179.41	10,900.0	-2,353.6	334.3	370,515.11	871,888.74	32.0141426	-103.2668614	
13,900.0	90.00	179.41	10,900.0	-2,453.6	335.3	370,415.12	871,889.76	32.0138677	-103.2668613	
14,000.0	90.00	179.41	10,900.0	-2,553.5	336.3	370,315.12	871,890.78	32.0135928	-103.2668612	
14,100.0	90.00	179.41	10,900.0	-2,653.5	337.3	370,215.13	871,891.81	32.0133180	-103.2668611	
14,200.0	90.00	179.41	10,900.0	-2,753.5	338.3	370,115.13	871,892.83	32.0130431	-103.2668609	
14,300.0	90.00	179.41	10,900.0	-2,853.5	339.4	370,015.14	871,893.85	32.0127682	-103.2668608	
14,400.0	90.00	179.41	10,900.0	-2,953.5	340.4	369,915.15	871,894.87	32.0124934	-103.2668607	
14,500.0	90.00	179.41	10,900.0	-3,053.5	341.4	369,815.15	871,895.89	32.0122185	-103.2668606	
14,600.0	90.00	179.41	10,900.0	-3,153.5	342.4	369,715.16	871,896.91	32.0119436	-103.2668605	
14,700.0	90.00	179.41	10,900.0	-3,253.5	343.4	369,615.16	871,897.94	32.0116688	-103.2668604	
14,800.0	90.00	179.41	10,900.0	-3,353.5	344.5	369,515.17	871,898.96	32.0113939	-103.2668603	
14,900.0	90.00	179.41	10,900.0	-3,453.5	345.5	369,415.17	871,899.98	32.0111190	-103.2668602	
15,000.0	90.00	179.41	10,900.0	-3,553.5	346.5	369,315.18	871,901.00	32.0108442	-103.2668600	
15,100.0	90.00	179.41	10,900.0	-3,653.5	347.5	369,215.18	871,902.02	32.0105693	-103.2668599	
15,200.0	90.00	179.41	10,900.0	-3,753.5	348.6	369,115.19	871,903.04	32.0102944	-103.2668598	
15,300.0	90.00	179.41	10,900.0	-3,853.5	349.6	369,015.19	871,904.06	32.0100196	-103.2668597	
15,400.0	90.00	179.41	10,900.0	-3,953.5	350.6	368,915.20	871,905.09	32.0097447	-103.2668596	
15,500.0	90.00	179.41	10,900.0	-4,053.5	351.6	368,815.20	871,906.11	32.0094698	-103.2668595	
15,600.0	90.00	179.41	10,900.0	-4,153.5	352.6	368,715.21	871,907.13	32.0091950	-103.2668594	
15,700.0	90.00	179.41	10,900.0	-4,253.5	353.7	368,615.21	871,908.15	32.0089201	-103.2668593	
15,800.0	90.00	179.41	10,900.0	-4,353.5	354.7	368,515.22	871,909.17	32.0086452	-103.2668592	
15,900.0	90.00	179.41	10,900.0	-4,453.4	355.7	368,415.22	871,910.19	32.0083704	-103.2668590	
16,000.0	90.00	179.41	10,900.0	-4,553.4	356.7	368,315.23	871,911.21	32.0080955	-103.2668589	



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	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
16,100.0	90.00	179.41	10,900.0	-4,653.4	357.7	368,215.23	871,912.24	32.0078207	-103.2668588
16,200.0	90.00	179.41	10,900.0	-4,753.4	358.8	368,115.24	871,913.26	32.0075458	-103.2668587
16,300.0	90.00	179.41	10,900.0	-4,853.4	359.8	368,015.24	871,914.28	32.0072709	-103.2668586
16,400.0	90.00	179.41	10,900.0	-4,953.4	360.8	367,915.25	871,915.30	32.0069961	-103.2668585
16,500.0	90.00	179.41	10,900.0	-5,053.4	361.8	367,815.25	871,916.32	32.0067212	-103.2668584
16,600.0	90.00	179.41	10,900.0	-5,153.4	362.9	367,715.26	871,917.34	32.0064463	-103.2668583
16,700.0	90.00	179.41	10,900.0	-5,253.4	363.9	367,615.27	871,918.37	32.0061715	-103.2668581
16,800.0	90.00	179.41	10,900.0	-5,353.4	364.9	367,515.27	871,919.39	32.0058966	-103.2668580
16,900.0	90.00	179.41	10,900.0	-5,453.4	365.9	367,415.28	871,920.41	32.0056217	-103.2668579
17,000.0	90.00	179.41	10,900.0	-5,553.4	366.9	367,315.28	871,921.43	32.0053469	-103.2668578
17,100.0	90.00	179.41	10,900.0	-5,653.4	368.0	367,215.29	871,922.45	32.0050720	-103.2668577
17,200.0	90.00	179.41	10,900.0	-5,753.4	369.0	367,115.29	871,923.47	32.0047971	-103.2668576
17,300.0	90.00	179.41	10,900.0	-5,853.4	370.0	367,015.30	871,924.49	32.0045223	-103.2668575
17,400.0	90.00	179.41	10,900.0	-5,953.4	371.0	366,915.30	871,925.52	32.0042474	-103.2668574
17,500.0	90.00	179.41	10,900.0	-6,053.4	372.1	366,815.31	871,926.54	32.0039725	-103.2668572
17,600.0	90.00	179.41	10,900.0	-6,153.4	373.1	366,715.31	871,927.56	32.0036977	-103.2668571
17,700.0	90.00	179.41	10,900.0	-6,253.4	374.1	366,615.32	871,928.58	32.0034228	-103.2668570
17,800.0	90.00	179.41	10,900.0	-6,353.4	375.1	366,515.32	871,929.60	32.0031479	-103.2668569
17,900.0	90.00	179.41	10,900.0	-6,453.3	376.1	366,415.33	871,930.62	32.0028731	-103.2668568
18,000.0	90.00	179.41	10,900.0	-6,553.3	377.2	366,315.33	871,931.64	32.0025982	-103.2668567
18,100.0	90.00	179.41	10,900.0	-6,653.3	378.2	366,215.34	871,932.67	32.0023233	-103.2668566
18,200.0	90.00	179.41	10,900.0	-6,753.3	379.2	366,115.34	871,933.69	32.0020485	-103.2668564
18,300.0	90.00	179.41	10,900.0	-6,853.3	380.2	366,015.35	871,934.71	32.0017736	-103.2668563
18,400.0	90.00	179.41	10,900.0	-6,953.3	381.2	365,915.35	871,935.73	32.0014987	-103.2668562
18,500.0	90.00	179.41	10,900.0	-7,053.3	382.3	365,815.36	871,936.75	32.0012239	-103.2668561
18,600.0	90.00	179.41	10,900.0	-7,153.3	383.3	365,715.36	871,937.77	32.0009490	-103.2668560
18,700.0	90.00	179.41	10,900.0	-7,253.3	384.3	365,615.37	871,938.80	32.0006741	-103.2668559
18,779.5	90.00	179.41	10,900.0	-7,332.8	385.1	365,535.88	871,939.61	32.0004556	-103.2668558
TD at 18779.5									

Design Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape									
FTP (ASC 383H)	0.00	0.00	10,900.0	233.4	307.7	373,102.09	871,862.16	32.0212536	-103.2668648
- plan misses target center by 0.2usft at 11212.9usft MD (10899.9 TVD, 233.4 N, 307.8 E)									
- Point									
LTP (ASC 383H)	0.00	0.00	10,900.0	-7,282.8	384.6	365,585.86	871,939.08	32.0005930	-103.2668559
- plan misses target center by 29.5usft at 18700.0usft MD (10900.0 TVD, -7253.3 N, 384.3 E)									
- Point									
BHL (ASC 383H)	0.00	0.00	10,900.0	-7,332.8	385.1	365,535.88	871,939.61	32.0004556	-103.2668558
- plan hits target center									
- Point									



## Planning Report - Geographic

<b>Database:</b>	AUS-COMPASS - EDM_15 - 32bit	<b>Local Co-ordinate Reference:</b>	Well AZALEA STATE COM26-36-28 383H
<b>Company:</b>	Ameredev Operating	<b>TVD Reference:</b>	KB=27' @ 2933.0usft
<b>Project:</b>	Lea County, NM (N83-NME)	<b>MD Reference:</b>	KB=27' @ 2933.0usft
<b>Site:</b>	Camelia_Azalea	<b>North Reference:</b>	Grid
<b>Well:</b>	AZALEA STATE COM 26-36-28 383H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OWB		
<b>Design:</b>	PWP0		

## 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			
8,051.6	8,010.0	Bone Spring Lime			
9,599.2	9,554.0	First Bone Spring			
10,216.2	10,171.0	Second Bone Spring			
10,941.0	10,822.0	Third Bone Spring Carb			

## 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	39.2	16.8	Start 5603.2 hold at 2700.0 MD
5,275.0	5,254.1	327.6	140.6	NMNM105464695 Entry at 5275.0 MD
8,303.2	8,259.7	666.8	286.2	Start Drop -1.00
9,003.2	8,958.0	706.0	303.0	Start 1464.5 hold at 9003.2 MD
10,467.7	10,422.5	706.0	303.0	KOP-Start DLS 12.00 TFO 179.41
11,117.0	10,889.4	328.6	306.9	NMNM105464695 Exit at 11117.0 MD
11,217.7	10,900.0	228.6	307.9	LP-Start 7561.8 hold at 11217.7 MD
18,779.5	10,900.0	-7,332.8	385.1	TD at 18779.5

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentSubmit Electronically  
Via E-permittingOil 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 383H	30-025-		330' FNL & 1960' 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 383H	30-025-	05/04/2024	05/29/2024	08/23/2024	09/16/2024	09/19/2024

**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/H<sub>2</sub>S detectors will be installed throughout the facilities and wellheads to detect leaks and enable timely repairs.

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

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

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

- 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