<u>District I</u> 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 343871

071H

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE							
1. Operator Name and Address	2. OGRID Number						
AMEREDEV OPERATING, LLC	372224						
2901 Via Fortuna	3. API Number						
A (: T)/ 707.40							

Austin, TX 78746 30-025-51679 4. Property Code 5. Property Name 6. Well No.

320645 MAGNOLIA 26 36 22 STATE COM

7. Surface Location UL - Lot Section Township Range Lot Idn N/S Line Feet From E/W Line 26S 36E 1040 Lea

8. Proposed Bottom Hole Location

UL - Lot Section Township Range Lot Idn Feet From N/S Line Feet From E/W Line County 26S D 15 36E 990 W Lea

9. Pool Information

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

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	2910
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	19002	1st Bone Spring Sand		10/1/2024
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	54.5	1781	1399	0
Int1	12.25	10.75	45.5	5118	1358	0
Prod	8.75	5.5	17	19002	6042	0

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure Manufacturer			
Double Ram	5000	5000	TBD		

knowledge and be	elief.	true and complete to the best of my NMAC ⊠ and/or 19.15.14.9 (B) NMAC		OIL CONSERVATIO	N DIVISION	
Printed Name:	Electronically filed by Christie Ha	nna	Approved By:	Paul F Kautz		
Title:	Regulatory		Title:	Geologist		
Email Address:	channa@ameredev.com		Approved Date:	oved Date: 7/3/2023 Expiration Date: 7/3/2025		
Date:	6/28/2023	Phone: 737-300-4723	Conditions of Appr	oval Attached		

District 1
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

¹ API Number 51679	² Pool Code	³ Pool Name				
30-025- 516/9	98150	WC-025 G-08 S263620C; LWR BONE SPRING				
⁴ Property Code	5P1	roperty Name	⁶ Well Number			
320645	MAGNOLIA 26	36 22 STATE COM	071H			
⁷ OGRID №.	⁸ O ₁	perator Name	⁹ Elevation			
372224	AMEREDEV	OPERATING, LLC.	2910'			

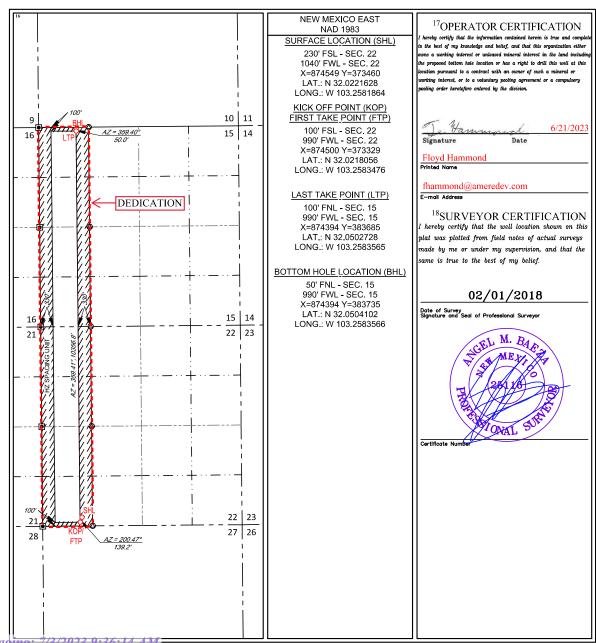
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
M	22	26-S	36-E	-	230'	SOUTH	1040'	WEST	LEA		
11p v xx x x v x x x x x x x x x x x x x x											

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section 15	Township 26-S	36-E	Lot Idn —	Feet from the 50°	North/South line NORTH	Feet from the 990'	East/West line WEST	LEA
¹² Dedicated Acres 320	¹³ Joint or I	nfill ¹⁴ Co	nsolidation Co C	de ¹⁵ Ord	er 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.



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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**

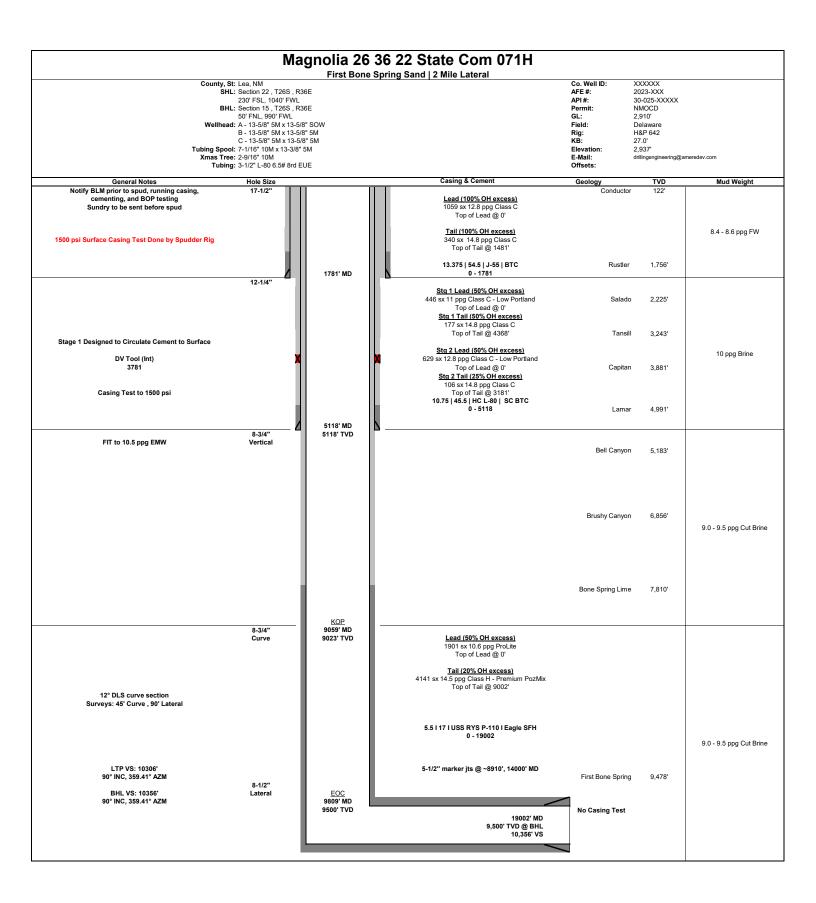
Form APD Conditions

Permit 343871

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
AMEREDEV OPERATING, LLC [372224]	30-025-51679
2901 Via Fortuna	Well:
Austin, TX 78746	MAGNOLIA 26 36 22 STATE COM #071H

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 Operating

Lea County, NM (N83-NME)
MAGNOLIA ST COM PROJECT
MAGNOLIA 26 36 22 STATE COM #071H

OWB

Plan: PWP

Standard Planning Report - Geographic

14 June, 2023



AUS-COMPASS - EDM 15 - 32bit Database:

Company: Ameredev Operating Project: Lea County, NM (N83-NME) MAGNOLIA ST COM PROJECT Site: Well: MAGNOLIA ST COM 26 36 22 #071H

Wellbore: **OWB** Design: **PWP**

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Grid

Minimum Curvature

Project Lea County, NM (N83-NME)

US State Plane 1983 Map System: Geo Datum: North American Datum 1983 Map Zone: New Mexico Eastern Zone

System Datum:

Mean Sea Level

Site MAGNOLIA ST COM PROJECT

Northing: 373,452.69 usft 32.0221651 Site Position: Latitude: Easting: 873,778.76 usft -103.2606704 Longitude: From: Lat/Long

Position Uncertainty: 0.0 usft **Slot Radius:** 13-3/16 "

Well MAGNOLIA ST COM 26 36 22 #071H

0.0 usft **Well Position** +N/-S Northing: 373,459.51 usfl Latitude: 32.0221628 874,548.65 usfl +E/-W 0.0 usft Easting: Longitude: -103.2581864

Position Uncertainty 3.0 usft Wellhead Elevation: usf Ground Level: 2.910.0 usft

0.57° **Grid Convergence:**

Wellbore **OWB**

Sample Date Declination **Model Name Dip Angle** Field Strength Magnetics (°) (°) (nT) 59.69 47,201.01415533 **IGRF2020** 6/13/2023 6.15

PWP Design

Audit Notes:

PROTOTYPE 0.0 Version: Phase: Tie On Depth:

Vertical Section: +E/-W Direction Depth From (TVD) +N/-S (usft) (usft) (usft) (°) 0.0 0.0 0.0 359.41

Plan Survey Tool Program Date 6/14/2023

Depth From Depth To

Tool Name (usft) (usft) Survey (Wellbore) Remarks

19,001.7 PWP (OWB) 0.0 MWD 1

OWSG MWD - Standard

Plan Sections Measured Vertical Dogleg Build Turn Depth Inclination Depth +N/-S +E/-W **Azimuth** Rate Rate Rate **TFO** (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (usft) (usft) (°) (°) **Target** (°) 0.0 0.00 0.00 0.0 0.0 0.0 0.00 0.00 0.00 0.00 0.00 0.00 0.0 0.00 0.00 0.00 0.00 1,500.0 1,500.0 0.0 1,850.0 7.00 354.72 1,849.1 21.3 -2.0 2.00 2.00 0.00 354.72 6,493.3 7.00 354.72 6,457.8 584.7 -54.0 0.00 0.00 0.00 0.00 606.0 -56.0 2.00 -2.00 0.00 180.00 6.843.3 0.00 0.00 6.806.9 9,058.9 0.00 0.00 9,022.5 606.0 -56.0 0.00 0.00 0.00 0.00 1,083.4 -60.9 12.00 12.00 -0.08 9,808.8 90.00 359.41 9,500.0 359.41 359.41 9,500.0 10,275.8 -155.0 0.00 0.00 0.00 0.00 BHL (MSC #71H) 19,001.7 90.00



Database: AUS-COMPASS - EDM_15 - 32bit

Company: Ameredev Operating
Project: Lea County, NM (N83-NME)
Site: MAGNOLIA ST COM PROJECT
Well: MAGNOLIA ST COM 26 36 22 #071H

Wellbore: OWB Design: PWP Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Grid

Planned Surv	v ey								
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	0.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
100.0		0.00	100.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
200.0		0.00	200.0	0.0	0.0	373,459.51	874,548.65 874,548.65	32.0221628	-103.2581864
300.0 400.0		0.00 0.00	300.0 400.0	0.0 0.0	0.0 0.0	373,459.51 373,459.51	874,548.65 874,548.65	32.0221628 32.0221628	-103.2581864 -103.2581864
500.0		0.00	500.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
600.0		0.00	600.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
700.0		0.00	700.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
800.0		0.00	800.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
900.0	0.00	0.00	900.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
1,000.0		0.00	1,000.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
1,100.0		0.00	1,100.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
1,200.0		0.00	1,200.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
1,300.0		0.00	1,300.0	0.0	0.0	373,459.51	874,548.65	32.0221628	-103.2581864
1,400.0		0.00	1,400.0	0.0	0.0 0.0	373,459.51 373,459.51	874,548.65	32.0221628	-103.2581864
1,500.0	uild 2.00	0.00	1,500.0	0.0	0.0	373,439.31	874,548.65	32.0221628	-103.2581864
1,600.0		354.72	1,600.0	1.7	-0.2	373,461.25	874,548.49	32.0221676	-103.2581869
1,700.0		354.72	1,699.8	6.9	-0.2 -0.6	373,466.46	874,548.01	32.0221819	-103.2581882
1,756.3		354.72	1,756.0	11.4	-1.1	373,470.92	874,547.60	32.0221942	-103.2581894
Rustlei		002	.,. 00.0			0.0,0.02	0,000	02.022.0.2	.00.200.00
1,800.0		354.72	1,799.5	15.6	-1.4	373,475.14	874,547.21	32.0222058	-103.2581906
1,850.0		354.72	1,849.1	21.3	-2.0	373,480.77	874,546.69	32.0222213	-103.2581920
Start 4	643.3 hold a	t 1850.0 MD							
1,900.0	7.00	354.72	1,898.8	27.3	-2.5	373,486.84	874,546.13	32.0222380	-103.2581937
2,000.0		354.72	1,998.0	39.5	-3.6	373,498.98	874,545.00	32.0222714	-103.2581969
2,100.0		354.72	2,097.3	51.6	-4.8	373,511.11	874,543.88	32.0223048	-103.2582001
2,200.0		354.72	2,196.5	63.7	-5.9	373,523.25	874,542.76	32.0223382	-103.2582033
2,228.7		354.72	2,225.0	67.2	-6.2	373,526.73	874,542.44	32.0223477	-103.2582043
Salado 2,300.0		354.72	2,295.8	75.9	-7.0	373,535.38	874,541.64	32.0223716	-103.2582066
2,300.0		354.72	2,295.0	88.0	-7.0 -8.1	373,547.52	874,540.52	32.0224049	-103.2582098
2,500.0		354.72	2,494.3	100.1	-9.3	373,559.65	874,539.40	32.0224383	-103.2582130
2,600.0		354.72	2,593.5	112.3	-10.4	373,571.79	874,538.28	32.0224717	-103.2582163
2,700.0		354.72	2,692.8	124.4	-11.5	373,583.92	874,537.15	32.0225051	-103.2582195
2,800.0		354.72	2,792.0	136.5	-12.6	373,596.06	874,536.03	32.0225385	-103.2582227
2,900.0	7.00	354.72	2,891.3	148.7	-13.7	373,608.19	874,534.91	32.0225719	-103.2582259
2,946.0	7.00	354.72	2,937.0	154.3	-14.3	373,613.78	874,534.40	32.0225872	-103.2582274
Dewey									
3,000.0		354.72	2,990.6	160.8	-14.9	373,620.33	874,533.79	32.0226052	-103.2582292
3,100.0		354.72	3,089.8	173.0	-16.0	373,632.46	874,532.67	32.0226386	-103.2582324
3,200.0		354.72	3,189.1	185.1	-17.1	373,644.60 373,651.19	874,531.55 874,530.94	32.0226720	-103.2582356
3,254.3		354.72	3,243.0	191.7	-17.7	373,031.19	674,530.94	32.0226902	-103.2582374
Tansill 3,300.0		354.72	3,288.3	197.2	-18.2	373,656.73	874,530.43	32.0227054	-103.2582389
3,400.0		354.72	3,286.3	209.4	-10.2 -19.3	373,668.87	874,529.30	32.0227034	-103.2582421
3,500.0		354.72	3,486.8	221.5	-19.5 -20.5	373,681.00	874,528.18	32.0227722	-103.2582453
3,600.0		354.72	3,586.1	233.6	-21.6	373,693.14	874,527.06	32.0228055	-103.2582485
3,700.0		354.72	3,685.3	245.8	-22.7	373,705.28	874,525.94	32.0228389	-103.2582518
3,800.0	7.00	354.72	3,784.6	257.9	-23.8	373,717.41	874,524.82	32.0228723	-103.2582550
3,897.1	7.00	354.72	3,881.0	269.7	-24.9	373,729.20	874,523.73	32.0229047	-103.2582581
Capita									
3,900.0		354.72	3,883.8	270.0	-25.0	373,729.55	874,523.70	32.0229057	-103.2582582
4,000.0	7.00	354.72	3,983.1	282.2	-26.1	373,741.68	874,522.58	32.0229391	-103.2582615



Database: AUS-COMPASS - EDM_15 - 32bit

Company: Ameredev Operating
Project: Lea County, NM (N83-NME)
Site: MAGNOLIA ST COM PROJECT
Well: MAGNOLIA ST COM 26 36 22 #071H

Wellbore: OWB Design: PWP Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Crid

Planned Surv	<i>r</i> ey								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
4,100.0		354.72	4,082.4	294.3	-27.2	373,753.82	874,521.45	32.0229725	-103.2582647
4,200.0		354.72	4,181.6	306.4	-28.3	373,765.95	874,520.33	32.0230059	-103.2582679
4,300.0		354.72	4,280.9	318.6	-29.4	373,778.09	874,519.21	32.0230392	-103.2582711
4,400.0		354.72	4,380.1	330.7	-30.6	373,790.22	874,518.09	32.0230726	-103.2582744
4,500.0		354.72	4,479.4	342.8	-31.7	373,802.36	874,516.97	32.0231060	-103.2582776
4,600.0		354.72	4,578.6	355.0	-32.8	373,814.49	874,515.85	32.0231394	-103.2582808
4,700.0		354.72	4,677.9	367.1	-33.9	373,826.63	874,514.73	32.0231728	-103.2582841
4,800.0		354.72	4,777.1	379.3	-35.0	373,838.76	874,513.60	32.0232062	-103.2582873
4,900.0		354.72	4,876.4	391.4	-36.2	373,850.90	874,512.48	32.0232395	-103.2582905
5,000.0		354.72	4,975.7	403.5	-37.3	373,863.03	874,511.36	32.0232729	-103.2582937
5,015.5	7.00	354.72	4,991.0	405.4	-37.5	373,864.91	874,511.19	32.0232781	-103.2582942
Lamar 5,100.0	7.00	354.72	5,074.9	415.7	-38.4	373,875.17	874,510.24	32.0233063	-103.2582970
5,100.0		354.72 354.72	5,074.9 5,174.2	415.7 427.8	-38.4 -39.5	373,875.17 373,887.30	874,510.24 874,509.12	32.0233063	-103.2583002
5,200.0		354.72	5,174.2	427.8	-39.5	373,888.38	874,509.12 874,509.02	32.02333427	-103.2583002
Bell Ca		334.72	3, 103.0	420.9	-39.0	373,000.00	074,309.02	32.0233421	-103.2303003
5,300.0	•	354.72	5,273.4	439.9	-40.7	373,899.44	874,508.00	32.0233731	-103.2583034
5,400.0		354.72	5,372.7	452.1	-41.8	373,911.57	874,506.88	32.0234065	-103.2583067
5,500.0		354.72	5,471.9	464.2	-42.9	373,923.71	874,505.75	32.0234399	-103.2583099
5,600.0		354.72	5,571.2	476.3	-44.0	373,935.84	874,504.63	32.0234732	-103.2583131
5,700.0		354.72	5,670.4	488.5	-45.1	373,947.98	874,503.51	32.0235066	-103.2583163
5,800.0		354.72	5,769.7	500.6	-46.3	373,960.11	874,502.39	32.0235400	-103.2583196
5,900.0		354.72	5,868.9	512.7	-47.4	373,972.25	874,501.27	32.0235734	-103.2583228
6,000.0		354.72	5,968.2	524.9	-48.5	373,984.39	874,500.15	32.0236068	-103.2583260
6,100.0		354.72	6,067.5	537.0	-49.6	373,996.52	874,499.03	32.0236402	-103.2583293
6,200.0		354.72	6,166.7	549.1	-50.7	374,008.66	874,497.90	32.0236735	-103.2583325
6,300.0		354.72	6,266.0	561.3	-51.9	374,020.79	874,496.78	32.0237069	-103.2583357
6,400.0		354.72	6,365.2	573.4	-53.0	374,032.93	874,495.66	32.0237403	-103.2583389
6,493.3	7.00	354.72	6,457.8	584.7	-54.0	374,044.25	874,494.62	32.0237715	-103.2583419
Start D	rop -2.00								
6,500.0		354.72	6,464.5	585.5	-54.1	374,045.05	874,494.54	32.0237737	-103.2583422
6,600.0		354.72	6,563.9	595.7	-55.0	374,055.23	874,493.60	32.0238017	-103.2583449
6,700.0		354.72	6,663.7	602.4	-55.7	374,061.94	874,492.98	32.0238201	-103.2583467
6,800.0		354.72	6,763.7	605.7	-56.0	374,065.18	874,492.68	32.0238291	-103.2583475
6,843.3		0.00	6,806.9	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
	215.6 hold a			606.0	-56.0	274 005 54	874,492.65	20 000000	400 0500 470
6,892.4		0.00	6,856.0	0.00.0	-56.0	374,065.51	074,492.00	32.0238300	-103.2583476
6,900.0	/ Canyon 0.00	0.00	6,863.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,000.0		0.00	6,963.6	606.0	-56.0	374,065.51	874,492.65 874,492.65	32.0238300	-103.2583476
7,100.0		0.00	7,063.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,100.0		0.00	7,163.6	606.0	- 56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,300.0		0.00	7,263.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,400.0		0.00	7,363.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,500.0		0.00	7,463.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,600.0		0.00	7,563.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,700.0	0.00	0.00	7,663.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,800.0		0.00	7,763.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
7,846.4		0.00	7,810.0	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
	Spring Lime		7.000.5	0000		074 007 7:	074 400 07	00.000000	100 0700 177
7,900.0		0.00	7,863.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,000.0		0.00	7,963.6	606.0	- 56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,100.0		0.00 0.00	8,063.6	606.0 606.0	-56.0 -56.0	374,065.51 374,065.51	874,492.65 874,492.65	32.0238300	-103.2583476 -103.2583476
8,200.0	0.00	0.00	8,163.6	000.0	-30.0	374,000.01	014,482.00	32.0238300	-103.2303470



Database: AUS-COMPASS - EDM_15 - 32bit

Company: Ameredev Operating
Project: Lea County, NM (N83-NME)
Site: MAGNOLIA ST COM PROJECT
Well: MAGNOLIA ST COM 26 36 22 #071H

Wellbore: OWB Design: PWP Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method: Mini

Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Grid

Planned Surv	v ey								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
8,300.0		0.00	8,263.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,400.0		0.00	8,363.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,500.0		0.00	8,463.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,600.0		0.00	8,563.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,700.0		0.00	8,663.6	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,800.0		0.00 0.00	8,763.6	606.0	-56.0 -56.0	374,065.51	874,492.65	32.0238300	-103.2583476
8,900.0 9,000.0		0.00	8,863.6 8,963.6	606.0 606.0	-56.0 -56.0	374,065.51 374,065.51	874,492.65 874,492.65	32.0238300 32.0238300	-103.2583476 -103.2583476
9,058.9		0.00	9,022.5	606.0	-56.0	374,065.51	874,492.65	32.0238300	-103.2583476
	tart DLS 12.0			000.0	00.0	074,000.01	074,402.00	02.0200000	100.2000+70
9,075.0		359.41	9,038.6	606.3	-56.0	374,065.78	874,492.65	32.0238307	-103.2583476
9,100.0		359.41	9,063.6	607.8	-56.0	374,067.28	874,492.63	32.0238348	-103.2583476
9,125.0		359.41	9,088.4	610.6	-56.0	374,070.08	874,492.60	32.0238425	-103.2583476
9,150.0	10.94	359.41	9,113.1	614.7	-56.1	374,074.18	874,492.56	32.0238538	-103.2583476
9,175.0		359.41	9,137.5	620.1	-56.1	374,079.57	874,492.51	32.0238686	-103.2583476
9,200.0		359.41	9,161.6	626.7	-56.2	374,086.22	874,492.44	32.0238869	-103.2583476
9,225.0		359.41	9,185.3	634.6	-56.3	374,094.13	874,492.36	32.0239086	-103.2583476
9,250.0 9,275.0		359.41 359.41	9,208.6	643.8 654.1	-56.4 -56.5	374,103.26 374,113.60	874,492.26 874,492.16	32.0239337 32.0239622	-103.2583476 -103.2583476
9,300.0		359.41	9,231.3 9,253.5	665.6	-56.6	374,113.00	874,492.10	32.0239022	-103.2583477
9,325.0		359.41	9,235.3	678.3	-56.7	374,123.12	874,491.91	32.0239936	-103.2583477
9,350.0		359.41	9,295.9	692.0	-56.9	374.151.56	874,491.77	32.0240665	-103.2583477
9,375.0		359.41	9,316.0	706.9	-57.0	374,166.40	874,491.62	32.0241073	-103.2583477
9,400.0		359.41	9,335.4	722.8	-57.2	374,182.28	874,491.46	32.0241509	-103.2583477
9,425.0	43.94	359.41	9,353.8	739.6	-57.4	374,199.15	874,491.28	32.0241973	-103.2583477
9,450.0		359.41	9,371.3	757.4	-57.6	374,216.96	874,491.10	32.0242463	-103.2583477
9,475.0		359.41	9,387.9	776.2	-57.7	374,235.66	874,490.91	32.0242977	-103.2583478
9,500.0		359.41	9,403.5	795.7	-57.9	374,255.21	874,490.71	32.0243514	-103.2583478
9,525.0		359.41	9,418.0	816.0	-58.2	374,275.54	874,490.50	32.0244073	-103.2583478
9,550.0 9,575.0		359.41 359.41	9,431.5 9,443.8	837.1 858.8	-58.4 -58.6	374,296.61 374,318.35	874,490.28 874,490.06	32.0244652 32.0245250	-103.2583478 -103.2583478
9,600.0		359.41	9,455.0	881.2	-58.8	374,340.71	874,489.83	32.0245864	-103.2583479
9,625.0		359.41	9,465.0	904.1	-59.1	374,363.62	874,489.60	32.0246494	-103.2583479
9,650.0		359.41	9,473.8	927.5	-59.3	374,387.02	874,489.36	32.0247137	-103.2583479
9,663.5		359.41	9,478.0	940.3	-59.4	374,399.81	874,489.23	32.0247489	-103.2583479
First B	one Spring								
9,675.0		359.41	9,481.3	951.3	-59.5	374,410.85	874,489.11	32.0247792	-103.2583479
9,700.0		359.41	9,487.6	975.5	-59.8	374,435.05	874,488.87	32.0248457	-103.2583480
9,725.0		359.41	9,492.6	1,000.0	-60.0	374,459.53	874,488.62	32.0249130	-103.2583480
9,750.0			9,496.3	1,024.7	-60.3	374,484.25	874,488.36	32.0249810	-103.2583480
9,775.0		359.41	9,498.8	1,049.6	-60.5	374,509.13	874,488.11	32.0250494	-103.2583480
9,800.0 9,808.8		359.41	9,499.9 9,500.0	1,074.6 1,083.4	-60.8 -60.9	374,534.10 374,542.95	874,487.85 874,487.76	32.0251180	-103.2583480
,	rt 9192.9 hol	359.41	-	1,003.4	-00.9	374,342.93	014,401.10	32.0251423	-103.2583481
9,900.0		359.41	9,500.0	1,174.6	-61.8	374,634.09	874,486.83	32.0253929	-103.2583481
10,000.0		359.41	9,500.0	1,274.6	-62.8	374,734.09	874,485.80	32.0256677	-103.2583482
10,100.0		359.41	9,500.0	1,374.6	-63.9	374,834.08	874,484.78	32.0259426	-103.2583483
10,200.0		359.41	9,500.0	1,474.6	-64.9	374,934.08	874,483.76	32.0262175	-103.2583484
10,300.0	90.00	359.41	9,500.0	1,574.6	-65.9	375,034.07	874,482.73	32.0264923	-103.2583485
10,400.0		359.41	9,500.0	1,674.6	-66.9	375,134.07	874,481.71	32.0267672	-103.2583486
10,500.0		359.41	9,500.0	1,774.6	-68.0	375,234.06	874,480.68	32.0270421	-103.2583487
10,600.0		359.41	9,500.0	1,874.5	-69.0	375,334.06	874,479.66	32.0273169	-103.2583488
10,700.0		359.41	9,500.0	1,974.5	-70.0	375,434.05	874,478.63	32.0275918	-103.2583489
10,800.0	90.00	359.41	9,500.0	2,074.5	-71.0	375,534.05	874,477.61	32.0278667	-103.2583490



Database: AUS-COMPASS - EDM_15 - 32bit

Company: Ameredev Operating
Project: Lea County, NM (N83-NME)
Site: MAGNOLIA ST COM PROJECT
Well: MAGNOLIA ST COM 26 36 22 #071H

Wellbore: OWB Design: PWP Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Grid

Design:	PVVF								
Planned Surv	/ev								
r laillieu Sui v	Су								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,900.0	90.00	359.41	9,500.0	2,174.5	-72.1	375,634.04	874,476.59	32.0281415	-103.2583491
11,000.0		359.41	9,500.0	2,274.5	-73.1	375,734.04	874,475.56	32.0284164	-103.2583492
11,100.0		359.41	9,500.0	2,374.5	-74.1	375,834.03	874,474.54	32.0286912	-103.2583493
11,200.0		359.41	9,500.0	2,474.5	-75.1	375,934.03	874,473.51	32.0289661	-103.2583494
11,300.0		359.41	9,500.0	2,574.5	-76.2	376,034.02	874,472.49	32.0292410	-103.2583495
11,400.0		359.41	9,500.0	2,674.5	-77.2	376,134.02	874,471.47	32.0295158	-103.2583495
11,500.0		359.41	9,500.0	2,774.5	-78.2	376,234.01	874,470.44	32.0297907	-103.2583496
11,600.0		359.41	9,500.0	2,874.5	-79.2	376,334.01	874,469.42	32.0300656	-103.2583497
11,700.0		359.41	9,500.0	2,974.5	-80.3	376,434.00	874,468.39	32.0303404	-103.2583498
11,800.0	90.00	359.41	9,500.0	3,074.5	-81.3	376,534.00	874,467.37	32.0306153	-103.2583499
11,900.0	90.00	359.41	9,500.0	3,174.5	-82.3	376,633.99	874,466.34	32.0308902	-103.2583500
12,000.0	90.00	359.41	9,500.0	3,274.5	-83.3	376,733.98	874,465.32	32.0311650	-103.2583501
12,100.0		359.41	9,500.0	3,374.5	-84.4	376,833.98	874,464.30	32.0314399	-103.2583502
12,200.0		359.41	9,500.0	3,474.5	-85.4	376,933.97	874,463.27	32.0317147	-103.2583503
12,300.0		359.41	9,500.0	3,574.5	-86.4	377,033.97	874,462.25	32.0319896	-103.2583504
12,400.0		359.41	9,500.0	3,674.5	-87.4	377,133.96	874,461.22	32.0322645	-103.2583505
12,500.0		359.41	9,500.0	3,774.4	-88.5	377,233.96	874,460.20	32.0325393	-103.2583506
12,600.0		359.41	9,500.0	3,874.4	-89.5	377,333.95	874,459.18	32.0328142	-103.2583507
12,700.0		359.41	9,500.0	3,974.4	-90.5	377,433.95	874,458.15	32.0330891	-103.2583508
12,800.0		359.41	9,500.0	4,074.4	-91.5	377,533.94	874,457.13	32.0333639	-103.2583509
12,900.0		359.41	9,500.0	4,174.4	-92.5	377,633.94	874,456.10	32.0336388	-103.2583509
13,000.0		359.41	9,500.0	4,274.4	-93.6	377,733.93	874,455.08	32.0339137	-103.2583510
13,100.0		359.41	9,500.0	4,374.4	-94.6	377,833.93	874,454.06	32.0341885	-103.2583511
13,200.0		359.41	9,500.0	4,474.4	-95.6	377,933.92	874,453.03	32.0344634	-103.2583512
13,300.0		359.41	9,500.0	4,574.4	-96.6 -97.7	378,033.92	874,452.01 874,450.98	32.0347383	-103.2583513
13,400.0 13,500.0		359.41 359.41	9,500.0 9,500.0	4,674.4 4,774.4	-97.7 -98.7	378,133.91 378,233.91	874,449.96	32.0350131 32.0352880	-103.2583514 -103.2583515
13,600.0		359.41	9,500.0	4,774.4	-90.7 -99.7	378,333.90	874,448.93	32.0355628	-103.2583516
13,700.0		359.41	9,500.0	4,974.4	-100.7	378,433.90	874,447.91	32.0358377	-103.2583517
13,800.0		359.41	9,500.0	5,074.4	-101.8	378,533.89	874,446.89	32.0361126	-103.2583518
13,900.0		359.41	9,500.0	5,174.4	-101.8	378,633.89	874,445.86	32.0363874	-103.2583519
14,000.0		359.41	9,500.0	5,274.4	-103.8	378,733.88	874,444.84	32.0366623	-103.2583520
14,100.0		359.41	9,500.0	5,374.4	-104.8	378,833.87	874,443.81	32.0369372	-103.2583521
14,200.0		359.41	9,500.0	5,474.4	-105.9	378,933.87	874,442.79	32.0372120	-103.2583522
14,300.0		359.41	9,500.0	5,574.4	-106.9	379,033.86	874,441.77	32.0374869	-103.2583523
14,400.0	90.00	359.41	9,500.0	5,674.3	-107.9	379,133.86	874,440.74	32.0377618	-103.2583523
14,500.0	90.00	359.41	9,500.0	5,774.3	-108.9	379,233.85	874,439.72	32.0380366	-103.2583524
14,600.0	90.00	359.41	9,500.0	5,874.3	-110.0	379,333.85	874,438.69	32.0383115	-103.2583525
14,700.0		359.41	9,500.0	5,974.3	-111.0	379,433.84	874,437.67	32.0385863	-103.2583526
14,800.0		359.41	9,500.0	6,074.3	-112.0	379,533.84	874,436.64	32.0388612	-103.2583527
14,900.0		359.41	9,500.0	6,174.3	-113.0	379,633.83	874,435.62	32.0391361	-103.2583528
15,000.0		359.41	9,500.0	6,274.3	-114.1	379,733.83	874,434.60	32.0394109	-103.2583529
15,100.0		359.41	9,500.0	6,374.3	-115.1	379,833.82	874,433.57	32.0396858	-103.2583530
15,200.0		359.41	9,500.0	6,474.3	-116.1	379,933.82	874,432.55	32.0399607	-103.2583531
15,300.0		359.41	9,500.0	6,574.3	-117.1	380,033.81	874,431.52	32.0402355	-103.2583532
15,400.0		359.41	9,500.0	6,674.3	-118.2	380,133.81	874,430.50	32.0405104	-103.2583533
15,500.0		359.41	9,500.0	6,774.3	-119.2	380,233.80	874,429.48	32.0407853	-103.2583534
15,600.0		359.41	9,500.0	6,874.3	-120.2	380,333.80	874,428.45	32.0410601	-103.2583535
15,700.0		359.41	9,500.0	6,974.3	-121.2	380,433.79	874,427.43	32.0413350	-103.2583535
15,800.0 15,900.0		359.41 359.41	9,500.0 9,500.0	7,074.3 7,174.3	-122.2 -123.3	380,533.79 380,633.78	874,426.40 874,425.38	32.0416098 32.0418847	-103.2583536 -103.2583537
16,000.0		359.41	9,500.0	7,174.3 7,274.3	-123.3 -124.3	380,733.77	874,425.38 874,424.36	32.0418847	-103.2583537
16,000.0		359.41	9,500.0	7,274.3 7,374.3	-124.3 -125.3	380,833.77	874,423.33	32.0421396	-103.2583539
16,100.0		359.41	9,500.0	7,374.3 7,474.3	-125.3	380,933.76	874,422.31	32.0424344	-103.2583540
16,300.0		359.41	9,500.0	7,574.2	-120.3	381,033.76	874,421.28	32.0429842	-103.2583541
10,000.0	30.00	000.71	0,000.0	1,017.2	121.7	001,000.70	017,721.20	02.0720072	100.200041



AUS-COMPASS - EDM_15 - 32bit

Database: Company: **Ameredev Operating** Project: Lea County, NM (N83-NME) MAGNOLIA ST COM PROJECT Site: Well: MAGNOLIA ST COM 26 36 22 #071H

Wellbore: OWB PWP Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Planned Surv	'ey								
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
16,500.0 16,600.0 16,700.0 16,800.0 16,900.0 17,000.0	90.00 90.00 90.00 90.00 90.00	359.41 359.41 359.41 359.41 359.41 359.41 359.41	9,500.0 9,500.0 9,500.0 9,500.0 9,500.0 9,500.0 9,500.0	7,774.2 7,874.2 7,974.2 8,074.2 8,174.2 8,274.2 8,374.2	-129.4 -130.4 -131.5 -132.5 -133.5 -134.5 -135.6	381,233.75 381,333.74 381,433.74 381,533.73 381,633.73 381,733.72 381,833.72	874,419.23 874,418.21 874,417.19 874,416.16 874,415.14 874,414.11 874,413.09	32.0435339 32.0438088 32.0440836 32.0443585 32.0446333 32.0449082 32.0451831	-103.2583543 -103.2583544 -103.2583545 -103.2583546 -103.2583547 -103.2583548 -103.2583548
17,200.0 17,300.0 17,400.0 17,500.0 17,600.0	90.00 90.00 90.00 90.00 90.00	359.41 359.41 359.41 359.41 359.41	9,500.0 9,500.0 9,500.0 9,500.0 9,500.0	8,474.2 8,574.2 8,674.2 8,774.2 8,874.2	-136.6 -137.6 -138.6 -139.7 -140.7	381,933.71 382,033.71 382,133.70 382,233.70 382,333.69	874,412.07 874,411.04 874,410.02 874,408.99 874,407.97	32.0454579 32.0457328 32.0460077 32.0462825 32.0465574	-103.2583549 -103.2583550 -103.2583551 -103.2583552 -103.2583553
17,700.0 17,800.0 17,900.0 18,000.0 18,100.0 18,200.0	90.00 90.00 90.00 90.00	359.41 359.41 359.41 359.41 359.41	9,500.0 9,500.0 9,500.0 9,500.0 9,500.0 9,500.0	8,974.2 9,074.2 9,174.2 9,274.2 9,374.2 9,474.1	-141.7 -142.7 -143.8 -144.8 -145.8 -146.8	382,433.69 382,533.68 382,633.68 382,733.67 382,833.66 382,933.66	874,406.94 874,405.92 874,404.90 874,403.87 874,402.85 874,401.82	32.0468323 32.0471071 32.0473820 32.0476568 32.0479317 32.0482066	-103.2583554 -103.2583555 -103.2583556 -103.2583557 -103.2583558 -103.2583559
18,300.0 18,400.0 18,500.0 18,600.0 18,700.0	90.00 90.00 90.00 90.00	359.41 359.41 359.41 359.41 359.41	9,500.0 9,500.0 9,500.0 9,500.0 9,500.0	9,574.1 9,674.1 9,774.1 9,874.1 9,974.1	-147.9 -148.9 -149.9 -150.9 -151.9	383,033.65 383,133.65 383,233.64 383,333.64 383,433.63	874,400.80 874,399.78 874,398.75 874,397.73 874,396.70	32.0484814 32.0487563 32.0490312 32.0493060 32.0495809	-103.2583559 -103.2583560 -103.2583561 -103.2583562 -103.2583563
18,800.0 18,900.0 19,001.7 TD at 1	90.00 90.00	359.41 359.41 359.41	9,500.0 9,500.0 9,500.0	10,074.1 10,174.1 10,275.8	-153.0 -154.0 -155.0	383,533.63 383,633.62 383,735.34	874,395.68 874,394.66 874,393.61	32.0498558 32.0501306 32.0504102	-103.2583564 -103.2583565 -103.2583566

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
LTP (MSC #71H) - plan hits target of Point	0.00 center	0.00	9,500.0	10,225.8	-154.5	383,685.36	874,394.14	32.0502728	-103.2583565
FTP (MSC #71H) - plan misses tarç - Point	0.00 get center by		9,500.0 t 9238.3us	-130.4 ft MD (9197.	-48.7 7 TVD, 639.3	373,329.06 3 N, -56.3 E)	874,499.98	32.0218056	-103.2583476
BHL (MSC #71H) - plan hits target of Point	0.00 center	0.00	9,500.0	10,275.8	-155.0	383,735.34	874,393.61	32.0504102	-103.2583566



Database: Company: Project:

Site:

Well:

AUS-COMPASS - EDM_15 - 32bit

Ameredev Operating
Lea County, NM (N83-NME)
MAGNOLIA ST COM PROJECT
MAGNOLIA ST COM 26 36 22 #071H

Wellbore: OWB Design: PWP Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well MAGNOLIA ST COM 26 36 22 #071H

KB=27' @ 2937.0usft KB=27' @ 2937.0usft

Grid

Formations						
	Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
	1,756.3	1,756.0	Rustler			
	2,228.7	2,225.0	Salado			
	2,946.0	2,937.0	Dewey Lake			
	3,254.3	3,243.0	Tansill			
	3,897.1	3,881.0	Capitan			
	5,015.5	4,991.0	Lamar			
	5,208.9	5,183.0	Bell Canyon			
	6,892.4	6,856.0	Brushy Canyon			
	7,846.4	7,810.0	Bone Spring Lime			
	9,663.5	9,478.0	First Bone Spring			

Plan Annotations Plan Annotations						
Measured	Vertical	Local Coor	dinates			
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment		
1.500.0	1.500.0	0.0	0.0	Start Build 2.00		
1.850.0	1.849.1	21.3	-2.0	Start 4643.3 hold at 1850.0 MD		
6,493.3	6,457.8	584.7	-54.0	Start Drop -2.00		
6,843.3	6,806.9	606.0	-56.0	Start 2215.6 hold at 6843.3 MD		
9,058.9	9,022.5	606.0	-56.0	KOP-Start DLS 12.00 TFO 359.41		
9,808.8	9,500.0	1,083.4	-60.9	LP-Start 9192.9 hold at 9808.8 MD		
19,001.7	9,500.0	10,275.8	-155.0	TD at 19001.7		

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

[. (Operator:	_Ameredev II, L	LC	OGRID: 372224		4Date	e: <u>0</u> 6/21/2023 _
II. '	Type: ⊠ Original □ A	mendment due to	o □ 19.15.27.9	9.D(6)(a) NMA	C □ 19.15.27.9.	D(6)(b) NMAC □ (Other.
f C	Other, please describe:						
	Well(s): Provide the forecompleted from a sing					of wells proposed to	be drilled or proposed t
	Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
	Magnolia 26 36 22 State Com 061H	30025-		230' FSL & 270' FWL	28	131	64
	Magnolia 26 36 22 State Com 062H	30025-		230' FSL & 1600' FWL	998	4,762	4,399
	Magnolia 26 36 22 State Com 063H	30025-		399' FSL & 2225' FEL	22	103	50
	Magnolia 26 36 22 State Com 064H	30025-		230' FSL & 995' FEL	998	4,762	4,399
	Magnolia 26 36 22 State Com 071H	30025-		230' FSL & 1040' FWL	388	1,945	685

IV. Central Delivery Point Name:	[See 19.15.27.9(D)(1) NMAC
----------------------------------	----------------------------

650' FSL &

1788' FWL

1,000

5,018

3.838

Magnolia 26 36 22

State Com 072H

30025-

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
Magnolia 26 36 22 State Com 061H	30025-	10/01/2024	11/15/2024	12/15/2024	01/01/2025	01/04/2025
Magnolia 26 36 22 State Com 062H	30025-	10/01/2024	11/15/2024	12/15/2024	01/01/2025	01/04/2025
Magnolia 26 36 22 State Com 063H	30025-	10/01/2024	11/15/2024	12/15/2024	01/01/2025	01/04/2025
Magnolia 26 36 22 State Com 064H	30025-	10/01/2024	11/15/2024	12/15/2024	01/01/2025	01/04/2025
Magnolia 26 36 22 State Com 071H	30025-	10/01/2024	11/15/2024	12/15/2024	01/01/2025	01/04/2025
Magnolia 26 36 22 State Com 072H	30025-	10/01/2024	11/15/2024	12/15/2024	01/01/2025	01/04/2025

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 <u>EFFECTIVE APRIL 1, 2022</u>

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. \square 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 \square will \square 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 \square does \square does not anticipate that its existing well(s) connected to the same segment,	or portion,	of the
natura	al gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by	the new we	ell(s).

Attach O	perator's	plan to	manage	production	in res	ponse to	the	increased	line	pressure

XIV. C	Confidentiality: \square	Operator assert	s confidentiality	pursuant to	Section '	71-2-8 NMSA	1978 for the	information	provided in
Section	2 as provided in Pa	ragraph (2) of Si	ubsection D of 19	9.15.27.9 NN	AC, and	l attaches a full	description of	f the specific	information
for which	ch confidentiality is	asserted and the	basis for such as	ssertion.					

(i)

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, a	fter reasonable inquiry and based on the available information at the time of submittal:						
one hundred percent of	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						
hundred percent of the a into account the current	able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one nticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. box, Operator will select one of the following:						
Well Shut-In. □ Opera D of 19.15.27.9 NMAC	tor will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection ; or						
Venting and Flaring P	lan. □ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential						
alternative beneficial us	es 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						

Section 4 - Notices

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

other alternative beneficial uses approved by the division.

- (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: Casca Gu
Printed Name: Cesca Yu
Title: Engineer
E-mail Address: cyu@ameredev.com
Date: 06/21/2023
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. <u>Operational Practices: Attach a complete description of the actions Operator will</u> 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. <u>Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.</u>

- 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