**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 347923

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

| 1. Operator Name and Address | 2. OGRID Number |
|---|---|
| AMEREDEV OPERATING, LLC<br>2901 Via Fortuna<br>Austin, TX 78746 | 372224 |
| | 3. API Number<br>30-025-51891 |

| 4. Property Code | 5. Property Name | 6. Well No. |
|---|---|---|
| 320055 | AMEN CORNER 26 36 27 STATE COM | 181H |

**7. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---|---|---|---|---|---|---|---|---|---|
| M | 22 | 26S | 36E | M | 230 | S | 1120 | W | Lea |

**8. Proposed Bottom Hole Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|---|---|---|---|---|---|---|---|---|---|
| E | 34 | 26S | 36E | 4 | 52 | S | 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 | 2909 |
| **16. Multiple** | **17. Proposed Depth** | **18. Formation** | **19. Contractor** | **20. Spud Date** |
| N | 18242 | 2nd Bone Spring Carbonate | | 11/1/2024 |
| 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 | 1745 | 1373 | 0 |
| Int1 | 12.25 | 10.75 | 45.5 | 5106 | 1352 | 0 |
| Prod | 8.75 | 5.5 | 17 | 18242 | 5883 | 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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.** Signature: | | **OIL CONSERVATION DIVISION** | | |
|---|---|---|---|---|
| Printed Name: | Electronically filed by Christie Hanna | Approved By: | Paul F Kautz | |
| Title: | Regulatory | Title: | Geologist | |
| Email Address: | channa@ameredev.com | Approved Date: | 8/25/2023 | Expiration Date: 8/25/2025 |
| Date: | 8/22/2023 Phone: 737-300-4723 | Conditions of Approval Attached | | |

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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 | [2]Pool Code | [3]Pool Name |
|---|---|---|
| 30-025- | 98150 | WC-025 G-08 S263620C; LWR BONE SPRING |

| [4]Property Code | [5]Property Name | [6]Well Number |
|---|---|---|
| 320055 | AMEN CORNER 26 36 27 STATE COM | 181H |

| [7]OGRID No. | [8]Operator Name | [9]Elevation |
|---|---|---|
| 372224 | AMEREDEV OPERATING, LLC. | 2909' |

## [10]Surface Location

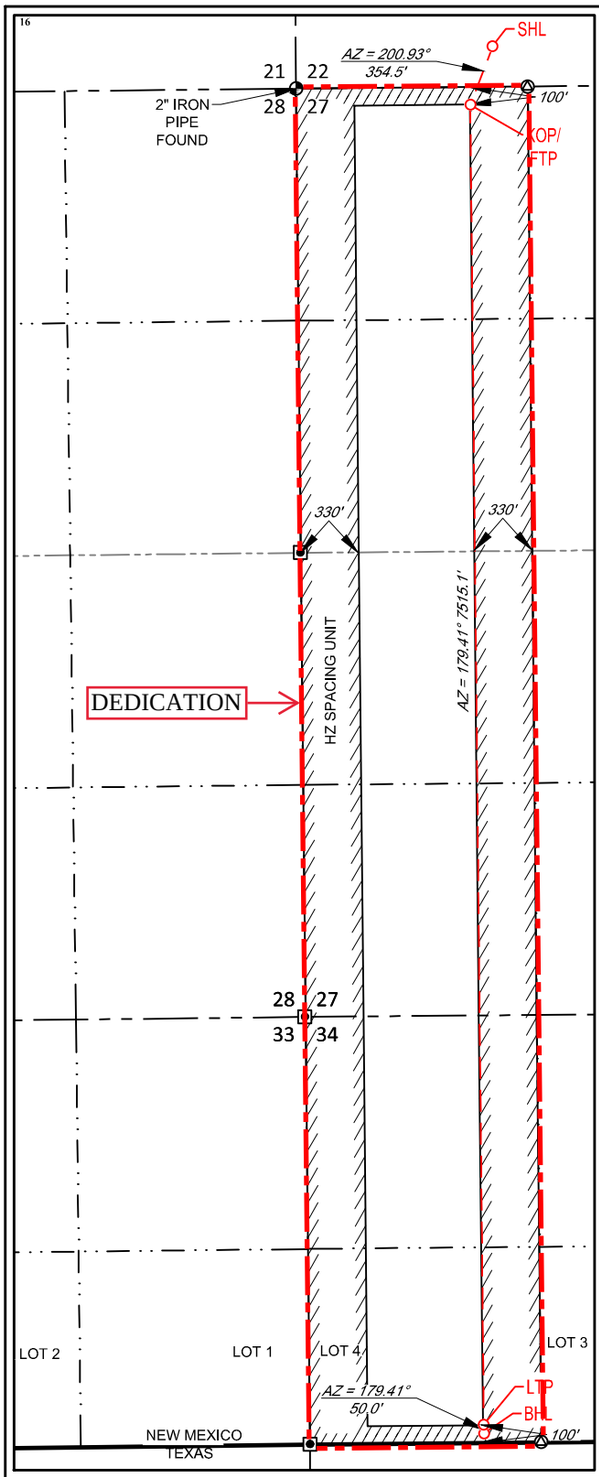
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| M | 22 | 26-S | 36-E | – | 230' | SOUTH | 1120' | WEST | LEA |

## [11]Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| 4 | 34 | 26-S | 36-E | – | 50' | SOUTH | 990' | WEST | LEA |

| [12]Dedicated Acres | [13]Joint or Infill | [14]Consolidation Code | [15]Order No. |
|---|---|---|---|
| 233.69 | | C | |

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.




NEW MEXICO EAST
NAD 1983

SURFACE LOCATION (SHL)
230' FSL - SEC. 22
1120' FWL - SEC. 22
X=874629 Y=373460
LAT.: N 32.0221626
LONG.: W 103.2579283

KICK OFF POINT (KOP)
FIRST TAKE POINT (FTP)
100' FNL - SEC. 27
990' FWL - SEC. 27
X=874502 Y=373129
LAT.: N 32.0212559
LONG.: W 103.2583475

LAST TAKE POINT (LTP)
100' FSL - SEC. 34
990' FWL - SEC. 34
X=874579 Y=365614
LAT.: N 32.0005996
LONG.: W 103.2583404

BOTTOM HOLE LOCATION (BHL)
50' FWL - SEC. 34
990' FWL - SEC. 34
X=874579 Y=365564
LAT.: N 32.0004621
LONG.: W 103.2583404

T-26-S, R-36-E
SECTION 34
LOT 1 - 33.61 ACRES
LOT 2 - 33.64 ACRES
LOT 3 - 33.66 ACRES
LOT 4 - 33.69 ACRES

## [17]OPERATOR CERTIFICATION

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature Date 8/18/2023

Floyd Hammond
Printed Name

fhammond@ameredev.com
E-mail Address

## [18]SURVEYOR CERTIFICATION

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.*

02/01/2018
Date of Survey
Signature and Seal of Professional Surveyor

ANGEL M. BAEZA
NEW MEXICO
25116
PROFESSIONAL SURVEYOR

Certificate Number

**District I**
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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 347923

## PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: |
|---|---|
| AMEREDEV OPERATING, LLC [372224]<br>2901 Via Fortuna<br>Austin, TX 78746 | 30-025-51891 |
| | Well:<br>AMEN CORNER 26 36 27 STATE COM #181H |

| 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 |
| pkautz | IF ON ANY STRING CEMENT DOES NOT CIRCULATE, A RCBL MUST BE RUN ON THAT STRING OF CASING. |

# Amen Corner 26 36 27 State Com 181H

## Second Bone Spring | 1.5 Mile Lateral

**County, St:** Lea, NM
**SHL:** Section 22 , T26S , R36E
230' FSL, 1120' FWL
**BHL:** Section 34 , T26S , R36E
50' FSL, 990' FWL
**Wellhead:** A - 13-5/8" 5M x 13-5/8" SOW
B - 13-5/8" 5M x 13-5/8" 5M
C - 13-5/8" 5M x 13-5/8" 5M
**Tubing Spool:** 7-1/16" 10M x 13-3/8" 5M
**Xmas Tree:** 2-9/16" 10M
**Tubing:** 3-1/2" L-80 6.5# 8rd EUE

**Co. Well ID:** XXXXXX
**AFE #:** 2023-XXX
**API #:** 30-025-XXXXX
**Permit:** NMOCD
**GL:** 2,909'
**Field:** Delaware
**Rig:** H&P 642
**KB:** 27.0'
**Elevation:** 2,936'
**E-Mail:** drillingengineering@ameredev.com
**Offsets:**

| General Notes | Hole Size | | Casing & Cement | Geology | TVD | Mud Weight |
|---|---|---|---|---|---|---|
| **Notify BLM prior to spud, running casing, cementing, and BOP testing**<br>**Sundry to be sent before spud** | **17-1/2"** | | **Lead (100% OH excess)**<br>1033 sx 12.8 ppg Class C<br>Top of Lead @ 0' | Conductor | 122' | |
| **1500 psi Surface Casing Test Done by Spudder Rig** | | | **Tail (100% OH excess)**<br>340 sx 14.8 ppg Class C<br>Top of Tail @ 1445' | | | 8.4 - 8.6 ppg FW |
| | | **1745' MD** | **13.375 \| 54.5 \| J-55 \| BTC**<br>**0 - 1745** | Rustler | 1,720' | |
| | **12-1/4"** | | **Stg 1 Lead (50% OH excess)**<br>446 sx 11 ppg Class C - Low Portland<br>Top of Lead @ 0' | Salado | 2,202' | |
| | | | **Stg 1 Tail (50% OH excess)**<br>177 sx 14.8 ppg Class C<br>Top of Tail @ 4356' | Tansill | 3,243' | |
| **Stage 1 Designed to Circulate Cement to Surface**<br>**DV Tool (Int)**<br>**3741**<br>**Casing Test to 1500 psi** | | | **Stg 2 Lead (50% OH excess)**<br>623 sx 12.8 ppg Class C - Low Portland<br>Top of Lead @ 0'<br>**Stg 2 Tail (25% OH excess)**<br>106 sx 14.8 ppg Class C<br>Top of Tail @ 3141'<br>**10.75 \| 45.5 \| HC L-80 \| SC BTC**<br>**0 - 5106** | Capitan<br>Lamar | 3,841'<br>4,981' | 10 ppg Brine |
| | | **5106' MD**<br>**5106' TVD** | | | | |
| **FIT to 10.5 ppg EMW** | **8-3/4"**<br>**Vertical** | | | Bell Canyon | 5,175' | |
| | | | | Brushy Canyon | 6,903' | 9.0 - 9.5 ppg Cut Brine |
| | | | | Bone Spring Lime | 7,870' | |
| | | | | First Bone Spring | 9,523' | |
| | | KOP<br>**9597' MD**<br>**9576' TVD** | | | | |
| | **8-3/4"**<br>**Curve** | | **Lead (50% OH excess)**<br>1742 sx 10.6 ppg ProLite<br>Top of Lead @ 0' | Second Bone Spring | 10,054' | |
| **12° DLS curve section**<br>**Surveys: 45' Curve , 90' Lateral** | | | **Tail (20% OH excess)**<br>4141 sx 14.5 ppg Class H - Premium PozMix<br>Top of Tail @ 8242' | | | |
| | | | **5.5 I 17 I USS RYS P-110 I Eagle SFH**<br>**0 - 18242** | | | 9.0 - 9.5 ppg Cut Brine |
| **LTP VS: 7796'**<br>**90° INC, 179.4° AZM** | | | **5-1/2" marker jts @ ~9450', 13240' MD** | | | |
| **BHL VS: 7846'**<br>**90° INC, 179.4° AZM** | **8-1/2"**<br>**Lateral** | EOC<br>**10347' MD**<br>**10053' TVD** | | **No Casing Test** | | |
| | | | **18242' MD**<br>**10,053' TVD @ BHL**<br>**7,846' VS** | | | |

# Ameredev Operating

**Lea County, NM (N83-NME)**
**AMEN CORNER ST COM PROJECT**
**AMEN CORNER ST COM 26 36 27 #181H**

**OWB**

**Plan: PWP**

# Standard Planning Report - Geographic

**15 June, 2023**

AMEREDEV

# Planning Report - Geographic

| | | | |
|---|---|---|---|
| **Database:** | AUS-COMPASS - EDM_15 - 32bit | **Local Co-ordinate Reference:** | Well AMEN CORNER ST COM 26 36 27 #181H |
| **Company:** | Ameredev Operating | **TVD Reference:** | KB=25' @ 2934.0usft |
| **Project:** | Lea County, NM (N83-NME) | **MD Reference:** | KB=25' @ 2934.0usft |
| **Site:** | AMEN CORNER ST COM PROJECT | **North Reference:** | Grid |
| **Well:** | AMEN CORNER ST COM 26 36 27 #181H | **Survey Calculation Method:** | Minimum Curvature |
| **Wellbore:** | OWB | | |
| **Design:** | PWP | | |

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

| | | | |
|---|---|---|---|
| **Map System:** | US State Plane 1983 | **System Datum:** | Mean Sea Level |
| **Geo Datum:** | North American Datum 1983 | | |
| **Map Zone:** | New Mexico Eastern Zone | | |

**Site** AMEN CORNER ST COM PROJECT

| | | | | | |
|---|---|---|---|---|---|
| **Site Position:** | | **Northing:** | 373,452.33 usft | **Latitude:** | 32.0221652 |
| **From:** | Lat/Long | **Easting:** | 873,738.68 usft | **Longitude:** | -103.2607997 |
| **Position Uncertainty:** | 0.0 usft | **Slot Radius:** | 13-3/16 " | | |

**Well** AMEN CORNER ST COM 26 36 27 #181H

| | | | | | | |
|---|---|---|---|---|---|---|
| **Well Position** | **+N/-S** | 0.0 usft | **Northing:** | 373,460.22 usft | **Latitude:** | 32.0221626 |
| | **+E/-W** | 0.0 usft | **Easting:** | 874,628.65 usft | **Longitude:** | -103.2579283 |
| **Position Uncertainty** | | 3.0 usft | **Wellhead Elevation:** | usft | **Ground Level:** | 2,909.0 usft |
| **Grid Convergence:** | | 0.57 ° | | | | |

**Wellbore** OWB

| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
|---|---|---|---|---|---|
| | IGRF2020 | 6/14/2023 | 6.15 | 59.69 | 47,200.76707797 |

**Design** PWP

**Audit Notes:**

| | | | | | |
|---|---|---|---|---|---|
| **Version:** | | **Phase:** | PROTOTYPE | **Tie On Depth:** | 0.0 |

| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft) | Direction (°) |
|---|---|---|---|---|
| | 0.0 | 0.0 | 0.0 | 179.40 |

**Plan Survey Tool Program** **Date** 6/15/2023

| | Depth From (usft) | Depth To (usft) | Survey (Wellbore) | Tool Name | Remarks |
|---|---|---|---|---|---|
| 1 | 0.0 | 18,242.4 | PWP (OWB) | MWD<br>OWSG MWD - Standard | |

AMEREDEV

# Planning Report - Geographic

| | | | |
|---|---|---|---|
| **Database:** | AUS-COMPASS - EDM_15 - 32bit | **Local Co-ordinate Reference:** | Well AMEN CORNER ST COM 26 36 27 #181H |
| **Company:** | Ameredev Operating | **TVD Reference:** | KB=25' @ 2934.0usft |
| **Project:** | Lea County, NM (N83-NME) | **MD Reference:** | KB=25' @ 2934.0usft |
| **Site:** | AMEN CORNER ST COM PROJECT | **North Reference:** | Grid |
| **Well:** | AMEN CORNER ST COM 26 36 27 #181H | **Survey Calculation Method:** | Minimum Curvature |
| **Wellbore:** | OWB | | |
| **Design:** | PWP | | |

**Plan Sections**

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target |
|---|---|---|---|---|---|---|---|---|---|---|
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,500.0 | 0.00 | 0.00 | 1,500.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,750.0 | 5.00 | 343.97 | 1,749.7 | 10.5 | -3.0 | 2.00 | 2.00 | 0.00 | 343.97 | |
| 7,067.9 | 5.00 | 343.97 | 7,047.3 | 455.9 | -131.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 7,567.9 | 0.00 | 0.00 | 7,546.7 | 476.9 | -137.0 | 1.00 | -1.00 | 0.00 | 180.00 | |
| 9,596.7 | 0.00 | 0.00 | 9,575.5 | 476.9 | -137.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 10,346.7 | 90.00 | 179.40 | 10,053.0 | -0.5 | -132.0 | 12.00 | 12.00 | 23.92 | 179.40 | |
| 18,242.4 | 90.00 | 179.40 | 10,053.0 | -7,895.8 | -49.2 | 0.00 | 0.00 | 0.00 | 0.00 | BHL (ACSC 181H) |

**Planned Survey**

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Map Northing (usft) | Map Easting (usft) | Latitude | Longitude |
|---|---|---|---|---|---|---|---|---|---|
| 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 373,460.22 | 874,628.65 | 32.0221626 | -103.2579283 |
| 1,500.0 | 0.00 | 0.00 | 1,500.0 | 0.0 | 0.0 | 373,460.22 | 874,628.65 | 32.0221626 | -103.2579283 |
| **Start Build 2.00** | | | | | | | | | |
| 1,720.2 | 4.40 | 343.97 | 1,720.0 | 8.1 | -2.3 | 373,468.35 | 874,626.31 | 32.0221850 | -103.2579356 |
| **Rustler** | | | | | | | | | |
| 1,750.0 | 5.00 | 343.97 | 1,749.7 | 10.5 | -3.0 | 373,470.70 | 874,625.64 | 32.0221915 | -103.2579377 |
| **Start 5317.9 hold at 1750.0 MD** | | | | | | | | | |
| 2,204.0 | 5.00 | 343.97 | 2,202.0 | 48.5 | -13.9 | 373,508.73 | 874,614.71 | 32.0222963 | -103.2579717 |
| **Salado** | | | | | | | | | |
| 2,938.8 | 5.00 | 343.97 | 2,934.0 | 110.1 | -31.6 | 373,570.28 | 874,597.03 | 32.0224660 | -103.2580268 |
| **Dewey Lake** | | | | | | | | | |
| 3,249.0 | 5.00 | 343.97 | 3,243.0 | 136.0 | -39.1 | 373,596.27 | 874,589.57 | 32.0225376 | -103.2580500 |
| **Tansill** | | | | | | | | | |
| 3,849.3 | 5.00 | 343.97 | 3,841.0 | 186.3 | -53.5 | 373,646.55 | 874,575.12 | 32.0226762 | -103.2580950 |
| **Capitan** | | | | | | | | | |
| 4,993.7 | 5.00 | 343.97 | 4,981.0 | 282.2 | -81.1 | 373,742.41 | 874,547.58 | 32.0229404 | -103.2581808 |
| **Lamar** | | | | | | | | | |
| 5,188.4 | 5.00 | 343.97 | 5,175.0 | 298.5 | -85.8 | 373,758.72 | 874,542.90 | 32.0229854 | -103.2581953 |
| **Bell Canyon** | | | | | | | | | |
| 6,923.0 | 5.00 | 343.97 | 6,903.0 | 443.8 | -127.5 | 373,904.03 | 874,501.16 | 32.0233859 | -103.2583254 |
| **Brushy Canyon** | | | | | | | | | |
| 7,067.9 | 5.00 | 343.97 | 7,047.3 | 455.9 | -131.0 | 373,916.16 | 874,497.67 | 32.0234193 | -103.2583362 |
| **Start Drop -1.00** | | | | | | | | | |
| 7,567.9 | 0.00 | 0.00 | 7,546.7 | 476.9 | -137.0 | 373,937.12 | 874,491.65 | 32.0234771 | -103.2583550 |
| **Start 2028.8 hold at 7567.9 MD** | | | | | | | | | |
| 7,891.2 | 0.00 | 0.00 | 7,870.0 | 476.9 | -137.0 | 373,937.12 | 874,491.65 | 32.0234771 | -103.2583550 |
| **Bone Spring Lime** | | | | | | | | | |
| 9,544.2 | 0.00 | 0.00 | 9,523.0 | 476.9 | -137.0 | 373,937.12 | 874,491.65 | 32.0234771 | -103.2583550 |
| **First Bone Spring** | | | | | | | | | |
| 9,596.7 | 0.00 | 0.00 | 9,575.5 | 476.9 | -137.0 | 373,937.12 | 874,491.65 | 32.0234771 | -103.2583550 |
| **KOP-Start DLS 12.00 TFO 179.40** | | | | | | | | | |
| 10,346.7 | 90.00 | 179.40 | 10,053.0 | -0.5 | -132.0 | 373,459.68 | 874,496.66 | 32.0221647 | -103.2583541 |
| **LP-Start 7895.7 hold at 10346.7 MD** | | | | | | | | | |
| 18,242.4 | 90.00 | 179.40 | 10,053.0 | -7,895.8 | -49.2 | 365,564.39 | 874,579.44 | 32.0004621 | -103.2583404 |
| **TD at 18242.4** | | | | | | | | | |

AMEREDEV

# Planning Report - Geographic

| | | | |
|---|---|---|---|
| **Database:** | AUS-COMPASS - EDM_15 - 32bit | **Local Co-ordinate Reference:** | Well AMEN CORNER ST COM 26 36 27 #181H |
| **Company:** | Ameredev Operating | **TVD Reference:** | KB=25' @ 2934.0usft |
| **Project:** | Lea County, NM (N83-NME) | **MD Reference:** | KB=25' @ 2934.0usft |
| **Site:** | AMEN CORNER ST COM PROJECT | **North Reference:** | Grid |
| **Well:** | AMEN CORNER ST COM 26 36 27 #181H | **Survey Calculation Method:** | Minimum Curvature |
| **Wellbore:** | OWB | | |
| **Design:** | PWP | | |

**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 (ACSC 181H)<br>- plan hits target center<br>- Point | 0.00 | 0.00 | 10,053.0 | -7,845.8 | -49.7 | 365,614.41 | 874,578.95 | 32.0005996 | -103.2583404 |
| FTP (ACSC 181H)<br>- plan misses target center by 330.6usft at 10346.7usft MD (10053.0 TVD, -0.5 N, -132.0 E)<br>- Point | 0.00 | 0.00 | 10,053.0 | -331.1 | -126.6 | 373,129.09 | 874,502.00 | 32.0212559 | -103.2583475 |
| BHL (ACSC 181H)<br>- plan hits target center<br>- Point | 0.00 | 0.00 | 10,053.0 | -7,895.8 | -49.2 | 365,564.39 | 874,579.44 | 32.0004621 | -103.2583404 |

**Formations**

| Measured Depth (usft) | Vertical Depth (usft) | Name | Lithology | Dip (°) | Dip Direction (°) |
|---|---|---|---|---|---|
| 1,720.2 | 1,720.0 | Rustler | | | |
| 2,204.0 | 2,202.0 | Salado | | | |
| 2,938.8 | 2,934.0 | Dewey Lake | | | |
| 3,249.0 | 3,243.0 | Tansill | | | |
| 3,849.3 | 3,841.0 | Capitan | | | |
| 4,993.7 | 4,981.0 | Lamar | | | |
| 5,188.4 | 5,175.0 | Bell Canyon | | | |
| 6,923.0 | 6,903.0 | Brushy Canyon | | | |
| 7,891.2 | 7,870.0 | Bone Spring Lime | | | |
| 9,544.2 | 9,523.0 | First Bone Spring | | | |

**Plan Annotations**

| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates +N/-S (usft) | Local Coordinates +E/-W (usft) | Comment |
|---|---|---|---|---|
| 1,500.0 | 1,500.0 | 0.0 | 0.0 | Start Build 2.00 |
| 1,750.0 | 1,749.7 | 10.5 | -3.0 | Start 5317.9 hold at 1750.0 MD |
| 7,067.9 | 7,047.3 | 455.9 | -131.0 | Start Drop -1.00 |
| 7,567.9 | 7,546.7 | 476.9 | -137.0 | Start 2028.8 hold at 7567.9 MD |
| 9,596.7 | 9,575.5 | 476.9 | -137.0 | KOP-Start DLS 12.00 TFO 179.40 |
| 10,346.7 | 10,053.0 | -0.5 | -132.0 | LP-Start 7895.7 hold at 10346.7 MD |
| 18,242.4 | 10,053.0 | -7,895.8 | -49.2 | TD at 18242.4 |

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

# NATURAL GAS MANAGEMENT PLAN

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

## Section 1 – Plan Description
**Effective May 25, 2021**

**I. Operator:** Ameredev II, LLC **OGRID:** 372224 **Date:** 06/21/2023

**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 |
|---|---|---|---|---|---|---|
| Amen Corner 26 36 27 State Com 181H | 30025- | | 230' FSL & 1120' FWL | 680 | 3,412 | 2,610 |
| Amen Corner 26 36 27 State Com 184H | 30025- | | 200' FNL & 230' FEL | 680 | 3,412 | 2,610 |
| Amen Corner 26 36 27 State Com 261H | 30025- | | 230' FSL & 290' FWL | 680 | 3,412 | 2,610 |
| Amen Corner 26 36 27 State Com 264H | 30025- | | 230' FSL & 955' FEL | 680 | 3,412 | 2,610 |
| | | | | | | |
| | | | | | | |

**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 |
|---|---|---|---|---|---|---|
| Amen Corner 26 36 27 State Com 181H | 30025- | 11/01/2024 | 12/15/2024 | 01/15/2025 | 02/01/2025 | 02/04/2025 |
| Amen Corner 26 36 27 State Com 184H | 30025- | 11/01/2024 | 12/15/2024 | 01/15/2025 | 02/01/2025 | 02/04/2025 |
| Amen Corner 26 36 27 State Com 261H | 30025- | 11/01/2024 | 12/15/2024 | 01/15/2025 | 02/01/2025 | 02/04/2025 |
| Amen Corner 26 36 27 State Com 264H | 30025- | 11/01/2024 | 12/15/2024 | 01/15/2025 | 02/01/2025 | 02/04/2025 |
| | | | | | | |
| | | | | | | |

**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

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

**19.15.27.8 (A)**

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

## 19.15.27.8 (B) Venting and Flaring during drilling operations

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

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

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

## 19.15.27.8 (D) Venting and Flaring during production operations.

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

loop system that will recover any residual gas from the tanks and route such gas to a sales outlet, minimizing tank emissions.
• Flares are equipped with auto-ignition systems and continuous pilot operations.
• Automatic gauging equipment is installed on all tanks.

## 19.15.27.8 (E) Performance Standards

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

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

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

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

• Ameredev will use best management practices to vent as minimally as possible during well intervention operations and downhole well maintenance
• All natural gas is routed into the gas gathering system and directed to one of Ameredev's multiple gas sales outlets.
• All venting events will be recorded and all start-up, shutdown, maintenance logs will be kept for control equipment
• All control equipment will be maintained to provide highest run-time possible
• All procedures are drafted to keep venting and flaring to the absolute minimum