

**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 352998

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

1. Operator Name and Address BAM Permian Operating, LLC 4416 Briarwood Ave Midland, TX 79707		2. OGRID Number 328565
		3. API Number 30-005-64387
4. Property Code 325819	5. Property Name Linley State	6. Well No. 002H

**7. Surface Location**

UL - Lot N	Section 32	Township 15S	Range 29E	Lot Idn	Feet From 200	N/S Line S	Feet From 2180	E/W Line W	County Chaves
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**8. Proposed Bottom Hole Location**

UL - Lot C	Section 32	Township 15S	Range 29E	Lot Idn C	Feet From 30	N/S Line N	Feet From 2180	E/W Line W	County Chaves
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**9. Pool Information**

ROUND TANK;SAN ANDRES	52770
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3748
16. Multiple N	17. Proposed Depth 7795	18. Formation San Andres	19. Contractor	20. Spud Date 11/15/2023
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	48	350	390	0
Int1	12.25	9.625	36	1500	550	0
Prod	8.75	7	26	3118	505	0
Prod	8.75	5.5	17	7795	505	0

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	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.	<b>OIL CONSERVATION DIVISION</b>	
Signature:		
Printed Name: Electronically filed by Blake A Morpew	Approved By: Ward Rikala	
Title: Managing Member	Title:	
Email Address: blake@bampermian.com	Approved Date: 11/2/2023	Expiration Date: 11/2/2025
Date: 10/26/2023	Phone: 432-242-8851	Conditions of Approval Attached

**DISTRICT I**1625 N. French Dr., Hobbs, N.M. 88240  
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Phone: (575) 748-1283 Fax: (575) 748-9720**DISTRICT III**1000 Rio Brazos Rd., Aztec, N.M. 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170**DISTRICT IV**1220 S. St. Francis Dr., Santa Fe, N.M. 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462State of New Mexico  
Energy, Minerals & Natural Resources Department**OIL CONSERVATION DIVISION**1220 South St. Francis Dr.  
Santa Fe, N.M. 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 30-005- <b>64387</b>	<sup>2</sup> Pool Code 52770	<sup>3</sup> Pool Name ROUND TANK; SAN ANDRES
<sup>4</sup> Property Code 325819	<sup>5</sup> Property Name LINLEY STATE	<sup>6</sup> Well Number 002H
<sup>7</sup> GRID No. 328565	<sup>8</sup> Operator Name BAM PERMIAN OPERATING, LLC	<sup>9</sup> Elevation 3748.5

<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
N	32	15 S	29 E		200	SOUTH	2180	WEST	CHAVES

<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
C	32	15 S	29 E		30	NORTH	2180	WEST	CHAVES

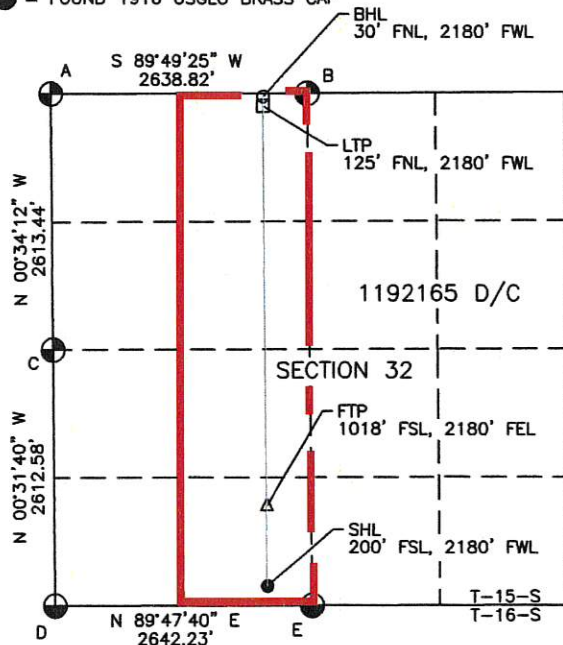
<sup>12</sup> Dedicated Acres 160.00	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

**Legend:**

- = SURFACE LOCATION (SHL)
- = BOTTOM HOLE LOCATION (BHL)
- △ = FIRST TAKE POINT (FTP)
- = LAST TAKE POINT (LTP)
- ⊙ = FOUND 1946 USGLO BRASS CAP
- ⊙ = FOUND 1916 USGLO BRASS CAP

**CORNER COORDINATES TABLE**  
NAD 83 NME, NMSPC ZONE 3001

A - Y= 720275.20 N, X= 625322.35 E  
 B - Y= 720283.33 N, X= 627961.16 E  
 C - Y= 717661.89 N, X= 625348.34 E  
 D - Y= 715049.42 N, X= 625372.41 E  
 E - Y= 715058.91 N, X= 628014.62 E

**SURFACE LOCATION**

NAD 83 NME, NMSPC ZONE 3001  
 Y= 715257.29 N  
 X= 627550.54 E  
 LAT: 32.9659335° N  
 LONG: 104.0522296° W

**FIRST TAKE POINT**

NAD 83 NME, NMSPC ZONE 3001  
 1018' FSL, 2180' FWL  
 SEC. 32, T15S, R29E  
 Y= 716075.05 N  
 X= 627542.71 E  
 LAT: 32.9681812° N  
 LONG: 104.0522481° W

**LAST TAKE POINT**

NAD 83 NME, NMSPC ZONE 3001  
 125' FNL, 2180' FWL  
 SEC. 32, T15S, R29E  
 Y= 720156.86 N  
 X= 627503.57 E  
 LAT: 32.9794005° N  
 LONG: 104.0523402° W

**BOTTOM HOLE LOCATION**

NAD 83 NME, NMSPC ZONE 3001  
 Y= 720251.90 N  
 X= 627502.66 E  
 LAT: 32.9796617° N  
 LONG: 104.0523423° W

**CORNER COORDINATES TABLE**  
NAD 83 NME, NMSPC ZONE 3001

A - LAT.=32.9797416° N, LONG.=104.0594522° W  
 B - LAT.=32.9797447° N, LONG.=104.0508469° W  
 C - LAT.=32.9725586° N, LONG.=104.0593896° W  
 D - LAT.=32.9653779° N, LONG.=104.0593333° W  
 E - LAT.=32.9653848° N, LONG.=104.0507182° W

**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.

*B. Wood*  
 Signature

10-26-23

Date

BRIAN WOOD

Printed Name

brian@permitswest.com

E-mail Address

505 466-8120

**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 and correct to the best of my belief.

4/18/22

Date of Survey

Signature and Seal of Professional Surveyor:

MARSHALL W. LINDEEN

NEW MEXICO

17078

10-23-22

PROFESSIONAL SURVEYOR

17078

Certificate Number

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**Santa Fe, NM 87505**

Form APD Conditions

Permit 352998

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: BAM Permian Operating, LLC [328565] 4416 Briarwood Ave Midland, TX 79707	API Number: 30-005-64387
	Well: Linley State #002H

OCD Reviewer	Condition
ward.rikala	Notify OCD 24 hours prior to casing & cement
ward.rikala	Will require a File As Drilled C-102 and a Directional Survey with the C-104
ward.rikala	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
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing
ward.rikala	If cement does not circulate on any string , a CBL is required for that string of casing.
ward.rikala	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
ward.rikala	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud

Project: Chaves County, NM  
 Site: Sec 32-T15S-R29E  
 Well: Linley State 002H  
 Wellbore: Wellbore #1  
 Plan: Plan #1 (Linley State 002H Wellbore #1)

Ground Elevation: 3749.0  
 RKB Elevation: 3749+17 @ 3766.0usft  
 Rig Name:

Northing 715257.30 Easting 627550.56 Latitude 32° 57' 57.361 N Longitude 104° 3' 8.027 W

## DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
BHL Linley State 002H	3165.0	4994.6	-47.9	720251.90	627502.66	32° 58' 46.782 N	104° 3' 8.432 W
LTP Linley State 002H	3165.0	4925.6	-47.3	720182.90	627503.26	32° 58' 46.100 N	104° 3' 8.427 W

- plan hits target center  
 - plan misses target center by 26.0usft at 7700.0usft MD (3165.0 TVD, 4899.6 N, -47.0 E)



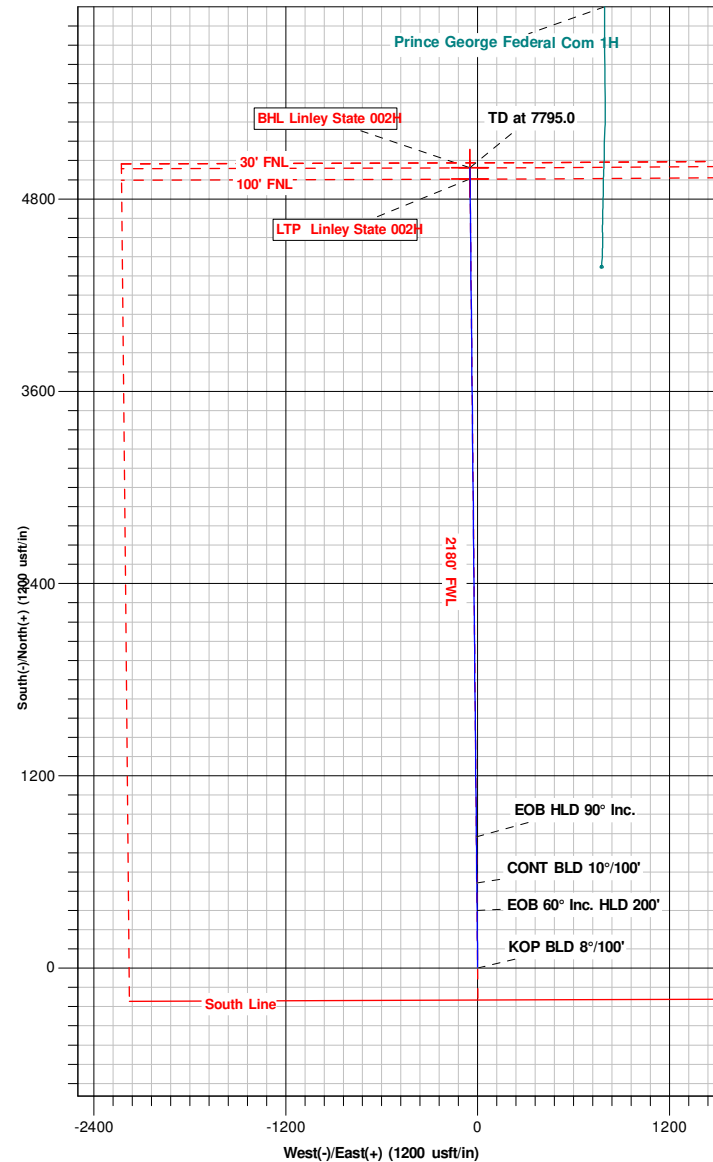
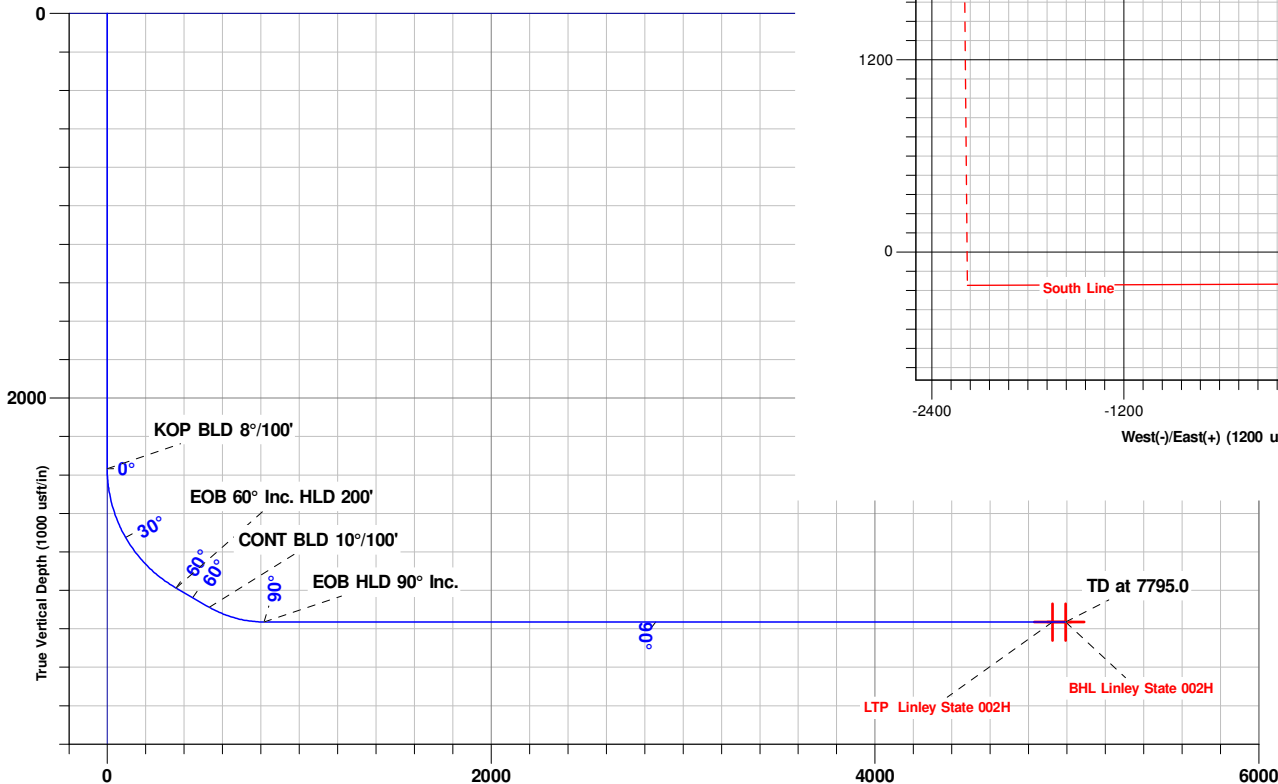
Azimuths to Grid North  
 True North: -0.15°  
 Magnetic North: 6.40°

Magnetic Field  
 Strength: 47669.2nT  
 Dip Angle: 60.58°  
 Date: 10/11/2023  
 Model: IGRF2015



## Section Details

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
2368.0	0.00	0.00	2368.0	0.0	0.0	0.00	0.00	0.0
3118.0	60.00	359.45	2988.2	358.1	-3.4	8.00	359.45	358.1
3318.0	60.00	359.45	3088.2	531.3	-5.1	0.00	0.00	531.3
3618.0	90.00	359.45	3165.0	817.7	-7.8	10.00	0.00	817.8
7795.0	90.00	359.45	3165.0	4994.6	-47.9	0.00	0.00	4994.8



Microsoft  
Planning Report

<b>Database:</b>	EDM 5000.15 Single User Db	<b>Local Co-ordinate Reference:</b>	Well Linley State 002H
<b>Company:</b>	BAM Permian Operating, LLC	<b>TVD Reference:</b>	3749+17 @ 3766.0usft
<b>Project:</b>	Chaves County, NM	<b>MD Reference:</b>	3749+17 @ 3766.0usft
<b>Site:</b>	Sec 32-T15S-R29E	<b>North Reference:</b>	Grid
<b>Well:</b>	Linley State 002H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Wellbore #1		
<b>Design:</b>	Plan #1		

<b>Project</b>	Chaves County, NM		
<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		

<b>Site</b>	Sec 32-T15S-R29E			
<b>Site Position:</b>		<b>Northing:</b>	715,253.70 usft	<b>Latitude:</b> 32° 57' 57.356 N
<b>From:</b>	Map	<b>Easting:</b>	626,369.80 usft	<b>Longitude:</b> 104° 3' 21.886 W
<b>Position Uncertainty:</b>	0.0 usft	<b>Slot Radius:</b>	13-3/16 "	<b>Grid Convergence:</b> 0.15 °

<b>Well</b>	Linley State 002H			
<b>Well Position</b>	<b>+N/-S</b>	3.6 usft	<b>Northing:</b>	715,257.30 usft
	<b>+E/-W</b>	1,180.8 usft	<b>Easting:</b>	627,550.56 usft
<b>Position Uncertainty</b>		0.0 usft	<b>Wellhead Elevation:</b>	<b>Ground Level:</b> 3,749.0 usft

<b>Wellbore</b>	Wellbore #1				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2015	10/11/23	6.55	60.58	47,669.17126979

<b>Design</b>	Plan #1			
<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	359.45

<b>Plan Survey Tool Program</b>	<b>Date</b>	10/11/23		
<b>Depth From (usft)</b>	<b>Depth To (usft)</b>	<b>Survey (Wellbore)</b>	<b>Tool Name</b>	<b>Remarks</b>
1	0.0	7,795.0	Plan #1 (Wellbore #1)	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	
2,368.0	0.00	0.00	2,368.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,118.0	60.00	359.45	2,988.2	358.1	-3.4	8.00	8.00	0.00	359.45	
3,318.0	60.00	359.45	3,088.2	531.3	-5.1	0.00	0.00	0.00	0.00	
3,618.0	90.00	359.45	3,165.0	817.7	-7.8	10.00	10.00	0.00	0.00	
7,795.0	90.00	359.45	3,165.0	4,994.6	-47.9	0.00	0.00	0.00	0.00	BHL Linley State 002H



**Microsoft**  
Planning Report

<b>Database:</b>	EDM 5000.15 Single User Db	<b>Local Co-ordinate Reference:</b>	Well Linley State 002H
<b>Company:</b>	BAM Permian Operating, LLC	<b>TVD Reference:</b>	3749+17 @ 3766.0usft
<b>Project:</b>	Chaves County, NM	<b>MD Reference:</b>	3749+17 @ 3766.0usft
<b>Site:</b>	Sec 32-T15S-R29E	<b>North Reference:</b>	Grid
<b>Well:</b>	Linley State 002H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Wellbore #1		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,368.0	0.00	0.00	2,368.0	0.0	0.0	0.0	0.00	0.00	0.00
<b>KOP BLD 8°/100'</b>									
2,400.0	2.56	359.45	2,400.0	0.7	0.0	0.7	8.00	8.00	0.00
2,450.0	6.56	359.45	2,449.8	4.7	0.0	4.7	8.00	8.00	0.00
2,500.0	10.56	359.45	2,499.3	12.1	-0.1	12.1	8.00	8.00	0.00
2,550.0	14.56	359.45	2,548.0	23.0	-0.2	23.0	8.00	8.00	0.00
2,600.0	18.56	359.45	2,596.0	37.2	-0.4	37.2	8.00	8.00	0.00
2,650.0	22.56	359.45	2,642.8	54.8	-0.5	54.8	8.00	8.00	0.00
2,700.0	26.56	359.45	2,688.2	75.6	-0.7	75.6	8.00	8.00	0.00
2,750.0	30.56	359.45	2,732.1	99.5	-1.0	99.5	8.00	8.00	0.00
2,800.0	34.56	359.45	2,774.3	126.4	-1.2	126.4	8.00	8.00	0.00
2,850.0	38.56	359.45	2,814.4	156.2	-1.5	156.2	8.00	8.00	0.00
2,900.0	42.56	359.45	2,852.4	188.7	-1.8	188.7	8.00	8.00	0.00
2,950.0	46.56	359.45	2,888.0	223.7	-2.1	223.7	8.00	8.00	0.00
3,000.0	50.56	359.45	2,921.1	261.2	-2.5	261.2	8.00	8.00	0.00
3,050.0	54.56	359.45	2,951.5	300.9	-2.9	300.9	8.00	8.00	0.00
3,100.0	58.56	359.45	2,979.1	342.6	-3.3	342.6	8.00	8.00	0.00
3,118.0	60.00	359.45	2,988.2	358.1	-3.4	358.1	8.00	8.00	0.00
<b>EOB 60° Inc. HLD 200'</b>									
3,200.0	60.00	359.45	3,029.2	429.1	-4.1	429.1	0.00	0.00	0.00
3,300.0	60.00	359.45	3,079.2	515.7	-5.0	515.7	0.00	0.00	0.00
3,318.0	60.00	359.45	3,088.2	531.3	-5.1	531.3	0.00	0.00	0.00
<b>CONT BLD 10°/100'</b>									
3,350.0	63.20	359.45	3,103.5	559.4	-5.4	559.4	10.00	10.00	0.00
3,400.0	68.20	359.45	3,124.0	605.0	-5.8	605.0	10.00	10.00	0.00
3,450.0	73.20	359.45	3,140.6	652.1	-6.3	652.2	10.00	10.00	0.00
3,500.0	78.20	359.45	3,152.9	700.6	-6.7	700.6	10.00	10.00	0.00
3,550.0	83.20	359.45	3,161.0	749.9	-7.2	749.9	10.00	10.00	0.00
3,600.0	88.20	359.45	3,164.7	799.7	-7.7	799.8	10.00	10.00	0.00

**Microsoft**  
Planning Report

<b>Database:</b>	EDM 5000.15 Single User Db	<b>Local Co-ordinate Reference:</b>	Well Linley State 002H
<b>Company:</b>	BAM Permian Operating, LLC	<b>TVD Reference:</b>	3749+17 @ 3766.0usft
<b>Project:</b>	Chaves County, NM	<b>MD Reference:</b>	3749+17 @ 3766.0usft
<b>Site:</b>	Sec 32-T15S-R29E	<b>North Reference:</b>	Grid
<b>Well:</b>	Linley State 002H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	Wellbore #1		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
3,618.0	90.00	359.45	3,165.0	817.7	-7.8	817.8	10.00	10.00	0.00
<b>EOB HLD 90° Inc.</b>									
3,700.0	90.00	359.45	3,165.0	899.7	-8.6	899.8	0.00	0.00	0.00
3,800.0	90.00	359.45	3,165.0	999.7	-9.6	999.8	0.00	0.00	0.00
3,900.0	90.00	359.45	3,165.0	1,099.7	-10.6	1,099.8	0.00	0.00	0.00
4,000.0	90.00	359.45	3,165.0	1,199.7	-11.5	1,199.8	0.00	0.00	0.00
4,100.0	90.00	359.45	3,165.0	1,299.7	-12.5	1,299.8	0.00	0.00	0.00
4,200.0	90.00	359.45	3,165.0	1,399.7	-13.4	1,399.8	0.00	0.00	0.00
4,300.0	90.00	359.45	3,165.0	1,499.7	-14.4	1,499.8	0.00	0.00	0.00
4,400.0	90.00	359.45	3,165.0	1,599.7	-15.3	1,599.8	0.00	0.00	0.00
4,500.0	90.00	359.45	3,165.0	1,699.7	-16.3	1,699.8	0.00	0.00	0.00
4,600.0	90.00	359.45	3,165.0	1,799.7	-17.3	1,799.8	0.00	0.00	0.00
4,700.0	90.00	359.45	3,165.0	1,899.7	-18.2	1,899.8	0.00	0.00	0.00
4,800.0	90.00	359.45	3,165.0	1,999.7	-19.2	1,999.8	0.00	0.00	0.00
4,900.0	90.00	359.45	3,165.0	2,099.7	-20.1	2,099.8	0.00	0.00	0.00
5,000.0	90.00	359.45	3,165.0	2,199.7	-21.1	2,199.8	0.00	0.00	0.00
5,100.0	90.00	359.45	3,165.0	2,299.7	-22.1	2,299.8	0.00	0.00	0.00
5,200.0	90.00	359.45	3,165.0	2,399.7	-23.0	2,399.8	0.00	0.00	0.00
5,300.0	90.00	359.45	3,165.0	2,499.7	-24.0	2,499.8	0.00	0.00	0.00
5,400.0	90.00	359.45	3,165.0	2,599.7	-24.9	2,599.8	0.00	0.00	0.00
5,500.0	90.00	359.45	3,165.0	2,699.7	-25.9	2,699.8	0.00	0.00	0.00
5,600.0	90.00	359.45	3,165.0	2,799.7	-26.9	2,799.8	0.00	0.00	0.00
5,700.0	90.00	359.45	3,165.0	2,899.6	-27.8	2,899.8	0.00	0.00	0.00
5,800.0	90.00	359.45	3,165.0	2,999.6	-28.8	2,999.8	0.00	0.00	0.00
5,900.0	90.00	359.45	3,165.0	3,099.6	-29.7	3,099.8	0.00	0.00	0.00
6,000.0	90.00	359.45	3,165.0	3,199.6	-30.7	3,199.8	0.00	0.00	0.00
6,100.0	90.00	359.45	3,165.0	3,299.6	-31.6	3,299.8	0.00	0.00	0.00
6,200.0	90.00	359.45	3,165.0	3,399.6	-32.6	3,399.8	0.00	0.00	0.00
6,300.0	90.00	359.45	3,165.0	3,499.6	-33.6	3,499.8	0.00	0.00	0.00
6,400.0	90.00	359.45	3,165.0	3,599.6	-34.5	3,599.8	0.00	0.00	0.00
6,500.0	90.00	359.45	3,165.0	3,699.6	-35.5	3,699.8	0.00	0.00	0.00
6,600.0	90.00	359.45	3,165.0	3,799.6	-36.4	3,799.8	0.00	0.00	0.00
6,700.0	90.00	359.45	3,165.0	3,899.6	-37.4	3,899.8	0.00	0.00	0.00
6,800.0	90.00	359.45	3,165.0	3,999.6	-38.4	3,999.8	0.00	0.00	0.00
6,900.0	90.00	359.45	3,165.0	4,099.6	-39.3	4,099.8	0.00	0.00	0.00
7,000.0	90.00	359.45	3,165.0	4,199.6	-40.3	4,199.8	0.00	0.00	0.00
7,100.0	90.00	359.45	3,165.0	4,299.6	-41.2	4,299.8	0.00	0.00	0.00
7,200.0	90.00	359.45	3,165.0	4,399.6	-42.2	4,399.8	0.00	0.00	0.00
7,300.0	90.00	359.45	3,165.0	4,499.6	-43.2	4,499.8	0.00	0.00	0.00
7,400.0	90.00	359.45	3,165.0	4,599.6	-44.1	4,599.8	0.00	0.00	0.00
7,500.0	90.00	359.45	3,165.0	4,699.6	-45.1	4,699.8	0.00	0.00	0.00
7,600.0	90.00	359.45	3,165.0	4,799.6	-46.0	4,799.8	0.00	0.00	0.00
7,700.0	90.00	359.45	3,165.0	4,899.6	-47.0	4,899.8	0.00	0.00	0.00
7,795.0	90.00	359.45	3,165.0	4,994.6	-47.9	4,994.8	0.00	0.00	0.00
<b>TD at 7795.0</b>									

Microsoft  
Planning Report

Database:	EDM 5000.15 Single User Db	Local Co-ordinate Reference:	Well Linley State 002H
Company:	BAM Permian Operating, LLC	TVD Reference:	3749+17 @ 3766.0usft
Project:	Chaves County, NM	MD Reference:	3749+17 @ 3766.0usft
Site:	Sec 32-T15S-R29E	North Reference:	Grid
Well:	Linley State 002H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Design Targets										
Target Name										
- hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting		Latitude	Longitude
- Shape	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)			
LTP Linley State 002H	0.00	0.00	3,165.0	4,925.6	-47.3	720,182.90	627,503.26		32° 58' 46.100 N	104° 3' 8.427 W
- plan misses target center by 26.0usft at 7700.0usft MD (3165.0 TVD, 4899.6 N, -47.0 E)										
- Point										
BHL Linley State 002H	0.00	0.00	3,165.0	4,994.6	-47.9	720,251.90	627,502.66		32° 58' 46.782 N	104° 3' 8.432 W
- plan hits target center										
- Point										

Plan Annotations					
	Measured Depth	Vertical Depth	Local Coordinates		
	(usft)	(usft)	+N/-S (usft)	+E/-W (usft)	Comment
	2,368.0	2,368.0	0.0	0.0	KOP BLD 8°/100'
	3,118.0	2,988.2	358.1	-3.4	EOB 60° Inc. HLD 200'
	3,318.0	3,088.2	531.3	-5.1	CONT BLD 10°/100'
	3,618.0	3,165.0	817.7	-7.8	EOB HLD 90° Inc.
	7,795.0	3,165.0	4,994.6	-47.9	TD at 7795.0



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:** BAM Permian Operating, LLC **OGRID:** 328565 **Date:** 10 / 26 / 23

**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
Linley State 2H	30-005-	N-32-15s-29e	200 FSL & 2180 FWL	250	100	1750

**IV. Central Delivery Point Name:** Frontier Field Services, LLC (221115) [See 19.15.27.9(D)(1) NMAC]  
Linley State 1H in M-32-15s-29e

**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
Linley State 2H	30-005-	11-15-23	11-27-23	12-20-23	1-5-24	1-12--24

**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**

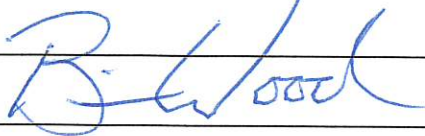
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(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:	
Printed Name:	Brian Wood
Title:	Consultant
E-mail Address:	brian@permitswest.com
Date:	10-26-23
Phone:	505 466-8120
<b>OIL CONSERVATION DIVISION</b> (Only applicable when submitted as a standalone form)	
Approved By:	
Title:	
Approval Date:	
Conditions of Approval:	

## VI. SEPARATION EQUIPMENT

Production will be piped 893.48' to BAM's existing Linley State 1H production facility (M-32-15s-29e). The production facility is connected to an existing Frontier Field Services gas meter. BAM Permian Operating, LLC tentatively plans to install one 6' x 15' 3-phase freshwater knock-out with oil/gas/water meters for well testing. Existing associated equipment includes:

- Three 500 bbl oil tanks
- Three 500 bbl water tanks
- One 750 bbl gun barrel
- One 6' x 15' 3-phase FWKO
- One 6' x 20' 3-phase heater
- One 3' x 10' 2-phase gas scrubber
- One VRU with pipes to all tanks
- One circulating pump
- One Quinnaplex injection pump for SWD

## VII. Operational Practices

### NMAC 19.15.27.8 (A) Venting & Flaring of Natural Gas

1. BAM Permian Operating, LLC will comply NMAC 19.15.27.8 – venting and flaring of gas during drilling, completion, or production that constitutes waste as defined in 19.15.2 is banned.

### NMAC 19.15.27.8 (B) Venting & Flaring During Drilling

1. BAM will capture or combust gas if technically feasible during drilling operations using best industry practices.
2. A flare stack with a 100% capacity for expected volume will be set on the pad  $\geq 100$  feet from the nearest well head and storage tank.
3. In an emergency, BAM will vent gas in order to avoid substantial impact. BAM will report vented or flared gas to the NMOCD.

### NMAC 19.15.27.8 (C) Venting & Flaring During Completion or Recompletion

1. Facilities will be built and ready from the first day of flowback
2. Test separator will be properly separate gas and liquids. Temporary test separator will be used initially to process volumes. In addition, separator will be tied into flowback tanks which will be tied into the gas processing equipment for sale down a pipeline.



3. Should the facility not be ready to process gas, or the gas does not meet quality standards, then storage tanks will be set that are tied into gas busters or a temporary flare to manage all gas. This flare would meet the following requirements:
  - a) An appropriate sized flare stack with an automatic igniter
  - b) BAM analyzes gas samples twice a week
  - c) BAM flows the gas into a gathering line as soon as the pipeline specifications are met
  - d) BAM provides the NMOCD with pipeline specifications and natural gas data.

NMAC 19.15.27.8 (D) Venting & Flaring During Production

BAM will not vent or flare natural gas except:

1. During an emergency or malfunction
2. To unload or clean-up liquid holdup in a well to atmospheric pressure, provided
  - a) BAM does not vent after the well achieves a stabilized rate and pressure
  - b) BAM will be on-site while unloading liquids by manual purging and take all reasonable actions to achieve a stabilized rate and pressure as soon as possible
  - c) BAM will optimize the system to minimize gas venting if the well is equipped with a plunger lift or auto control system
  - d) Best management practices will be used during downhole well maintenance.
3. During the first year of production from an exploratory well provided
  - a) BAM receives approval from the NMOCD
  - b) BAM stays in compliance with NMOCD gas capture requirements
  - c) BAM submits an updated C-129 form to the NMOCD
4. During the following activities unless prohibited
  - a) Gauging or sampling a storage tank or low-pressure production vessel
  - b) Loading out liquids from a storage tank
  - c) Repair and maintenance
  - d) Normal operation of a gas-activated pneumatic controller or pump
  - e) Normal operation of a storage tank but not including venting from a thief hatch
  - f) Normal operation of dehydration units
  - g) Normal operations of compressors, engines, turbines, valves, flanges, & connectors
  - h) During a Braden head, packer leak test, or production test lasting <24 hours
  - i) When natural gas does not meet the gathering line specifications
  - j) Commissioning of lines, equipment, or facilities only for as long as necessary to purge introduced impurities.

NMAC 19.15.27.8 (E) Performance Standards

1. BAM used a safety factor to design the separation and storage equipment. The equipment will be routed to a vapor recovery system and uses a flare as back up for startup, shutdown, maintenance, or malfunction of the VRU system.



2. BAM will install a flare that will handle the full facility vapor volume in case the VRU fails. It will have an auto-ignition system.
3. Flare stacks will be appropriately sized and designed to ensure proper combustion efficiency
  - a) Flare stacks installed or replaced will be equipped with an automatic ignitor or continuous pilot.
  - b) Previously installed flare stacks will be retrofitted within 18 months of May 25, 2021 with an automatic ignitor, continuous pilot, or technology that alerts BAM to flare malfunction.
  - c) Flare stacks replaced after May 25, 2021 will be equipped with an automatic ignitor or continuous pilot if at a well or facility with an average production of  $\leq 60$  Mcfd of natural gas.
  - d) Flare stacks will be located  $>100$  feet from well head and storage tanks and securely anchored.
4. BAM will conduct an audio/visual/olfactory inspection on all components for leaks and defects every week.
5. BAM will make and keep records of AVO inspections available to the NMOCD for at least 5 years.
6. BAM may use a remote or automated monitoring technology to detect leaks and releases in lieu of AVO inspections with prior NMOCD approval.
7. Facilities will be designed to minimize waste.
8. BAM will resolve emergencies as promptly as possible.

NMAC 19.15.27.8 (F) Measuring or Estimating Vented & Flared Natural Gas

1. BAM will have meters on both the low pressure and high-pressure sides of the flares. Volumes will be recorded in the SCADA system.
2. BAM will install equipment to measure the volume of flared natural gas that has an average production of  $\geq 60$  Mcfd.
3. BAM's measuring equipment will conform to industry standards.
4. Measurement system will be designed such that it cannot be bypassed except for inspections and servicing the meters.
5. BAM will estimate the volume of vented or flared gas using a methodology that can be independently verified if metering is not practicable due to low flow rate or pressure.
6. BAM will estimate the volume of vented and flared gas based on the results of an annual GOR test for wells that do not require measuring equipment reported on form C-116.
7. BAM will install measuring equipment whenever the NMOCD determines that metering is necessary.

### **VIII. Best Management Practices**

BAM Permian Operating, LLC will minimize venting during maintenance by:

1. Designing and operating system to route storage tank and process equipment emissions to the VRU. If the VRU is not operable, then vapors will be routed to the flare.
2. Scheduling maintenance for multiple tasks to minimize the need for blowdowns.
3. After completion of maintenance, gas will be flared until it meets pipeline specifications.