

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 355965

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

1. Operator Name and Address RHOMBUS OPERATING CO LTD P.O Box 627 Littleton, CO 801600627		2. OGRID Number 19111
		3. API Number 30-025-52576
4. Property Code 335067	5. Property Name MOORE	6. Well No. 005

7. Surface Location

UL - Lot D	Section 25	Township 11S	Range 32E	Lot Idn D	Feet From 330	N/S Line N	Feet From 1298	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot D	Section 25	Township 11S	Range 32E	Lot Idn D	Feet From 330	N/S Line N	Feet From 1298	E/W Line W	County Lea
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9. Pool Information

MOORE;DEVONIAN	47120
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 4325
16. Multiple N	17. Proposed Depth 11000	18. Formation Devonian	19. Contractor	20. Spud Date 2/15/2024
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	1450	1080	0
Int1	11	8.625	32	4500	920	0
Prod	7.875	5.5	17	11000	1515	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Shaffer

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 Gregory Cielinski

Approved By: Paul F Kautz

Title: President of the General Partner

Title: Geologist

Email Address: rhombusop@cox.net

Approved Date: 2/27/2024

Expiration Date: 2/27/2026

Date: 12/20/2023

Phone: 970-349-7555

Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 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
⁴ Property Code	⁵ Property Name MOORE	⁶ Well Number #5
⁷ OGRID No.	⁸ Operator Name RHOMBUS OPERATING COMPANY	⁹ Elevation 4325.8'

¹⁰Surface Location

UL or lot no. D	Section 25	Township 11-S	Range 32-E	Lot Idn	Feet from the 330'	North/South line NORTH	Feet from the 1298'	East/West line WEST	County LEA
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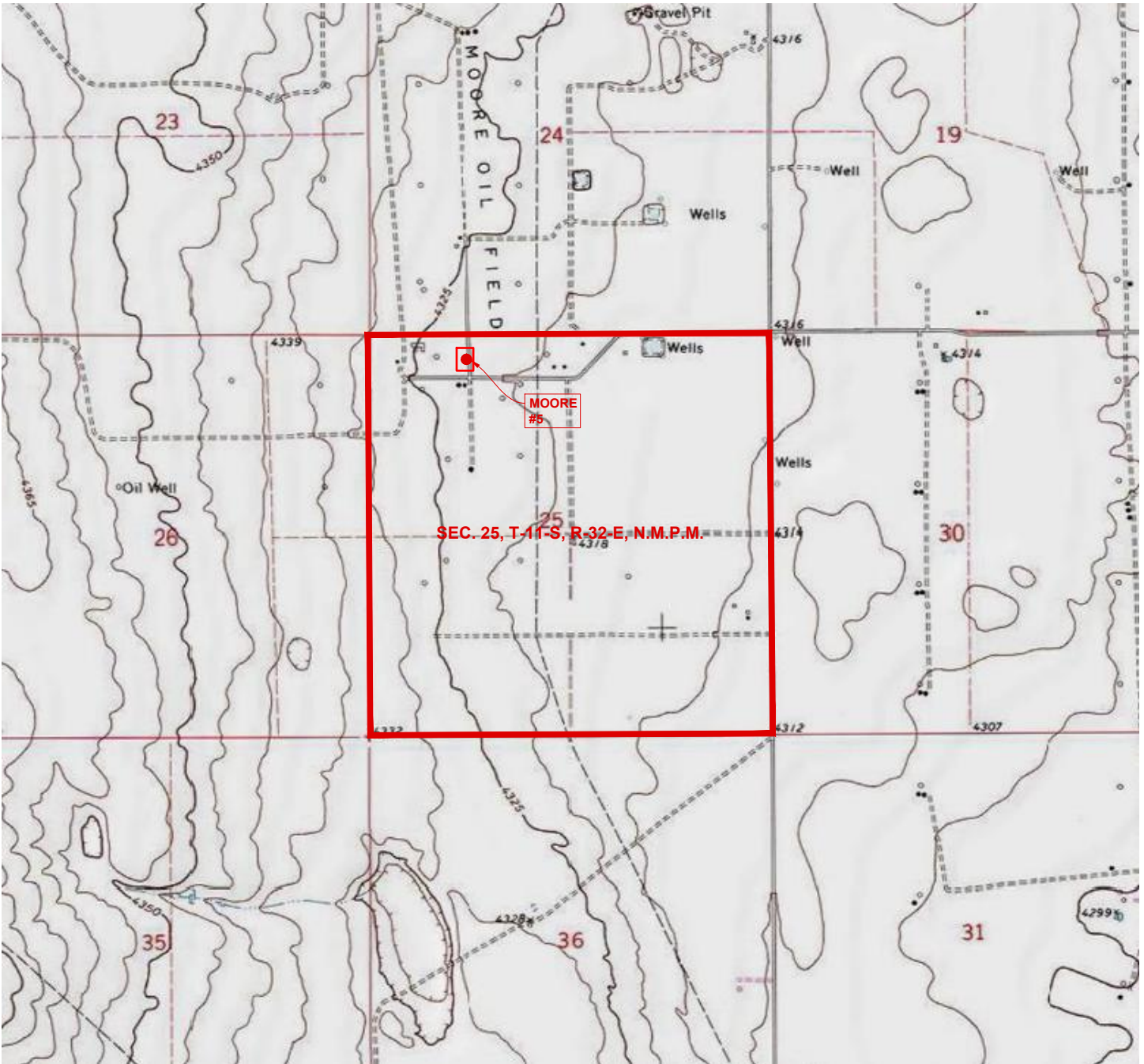
¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidated Code	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	MOORE #5 SHL: GR. ELEV. 4325.8' NMSP-E (NAD 83) N.(Y): = 853037.3' E.(X): = 742236.0' LAT.: = 33.3431956° N LON.: = 103.6754840° W NMSP-E (NAD 27) N.(Y): = 852971.4' E.(X): = 701059.0' LAT.: = 33.3430871° N LON.: = 103.6749739° W	¹⁷OPERATOR CERTIFICATION <i>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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>
		Signature _____ Date _____ Print Name _____ E-mail Address _____
		¹⁸SURVEYORS CERTIFICATION <i>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.</i>
		DECEMBER 13, 2023 Date of Survey _____ Signature and Seal of Professional Surveyor:
		Job No.: WTC-56273 Draft: FH! JAMES C. TOMPKINS 27117 DATE: 12/15/2023 Certificate Number _____

LOCATION VERIFICATION MAP

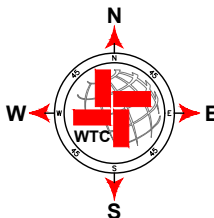


SCALE: 1" = 2000'

SECTION: 25, T-11-S, R-32-E, N.M.P.M.
COUNTY: LEA **STATE:** NEW MEXICO
DESCRIPTION: 330' FNL & 1298" FWL
OPERATOR: RHOMBUS OPERATING COMPANY
WELL NAME: MOORE #5

DRIVING DIRECTIONS:

BEGINNING AT THE INTERSECTION OF U.S. HWY. 380/ BROADWAY AND MAIN STREET IN TATUM, NEW MEXICO LEA COUNTY. HEAD WEST ON U.S. HWY. 380 ± 21.7 MILES TO MOORE ROAD ON THE LEFT. TURN LEFT AND HEAD SOUTH ± 2.0 MILES TO MATHERS ROAD ON THE RIGHT. TURN RIGHT AND WEST ± 0.8 MILES TO MANLEY LANE ON THE RIGHT. TURN RIGHT AND HEAD NORTH ± 259 FEET TO A POINT ON SAID MANLEY LN. THE STAKED WELL LOCATION FLAG IS ± 20 FEET TO THE WEST.



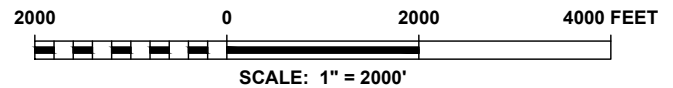
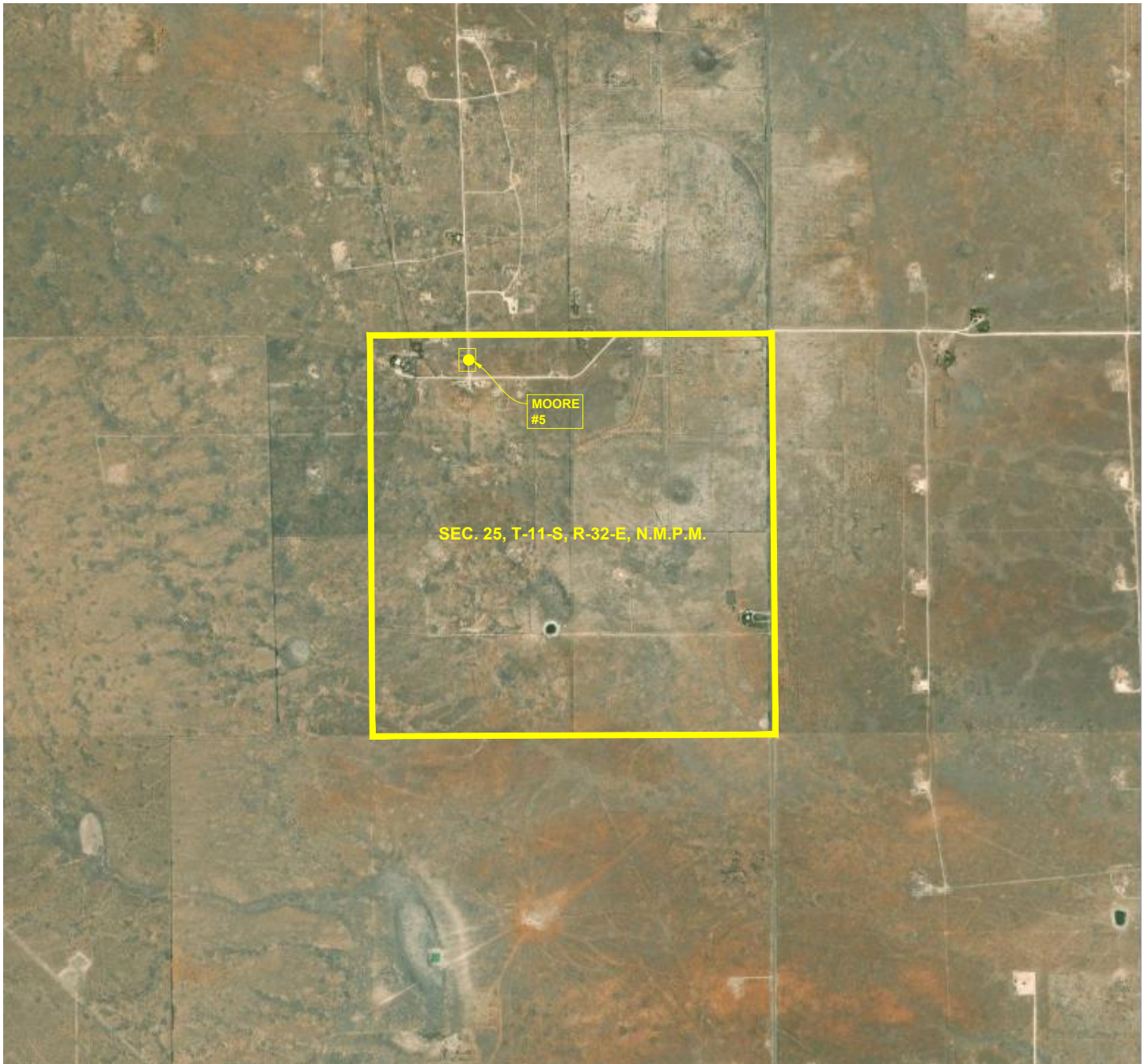
WTC
 ENGINEERS | SURVEYORS

WTC, INC.
 405 S.W. 1st Street
 Andrews, TX 79714
 (432) 523-2181

RHOMBUS OPERATING COMPANY

JOB NO.: WTC56273

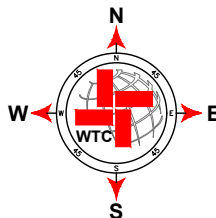
AERIAL MAP



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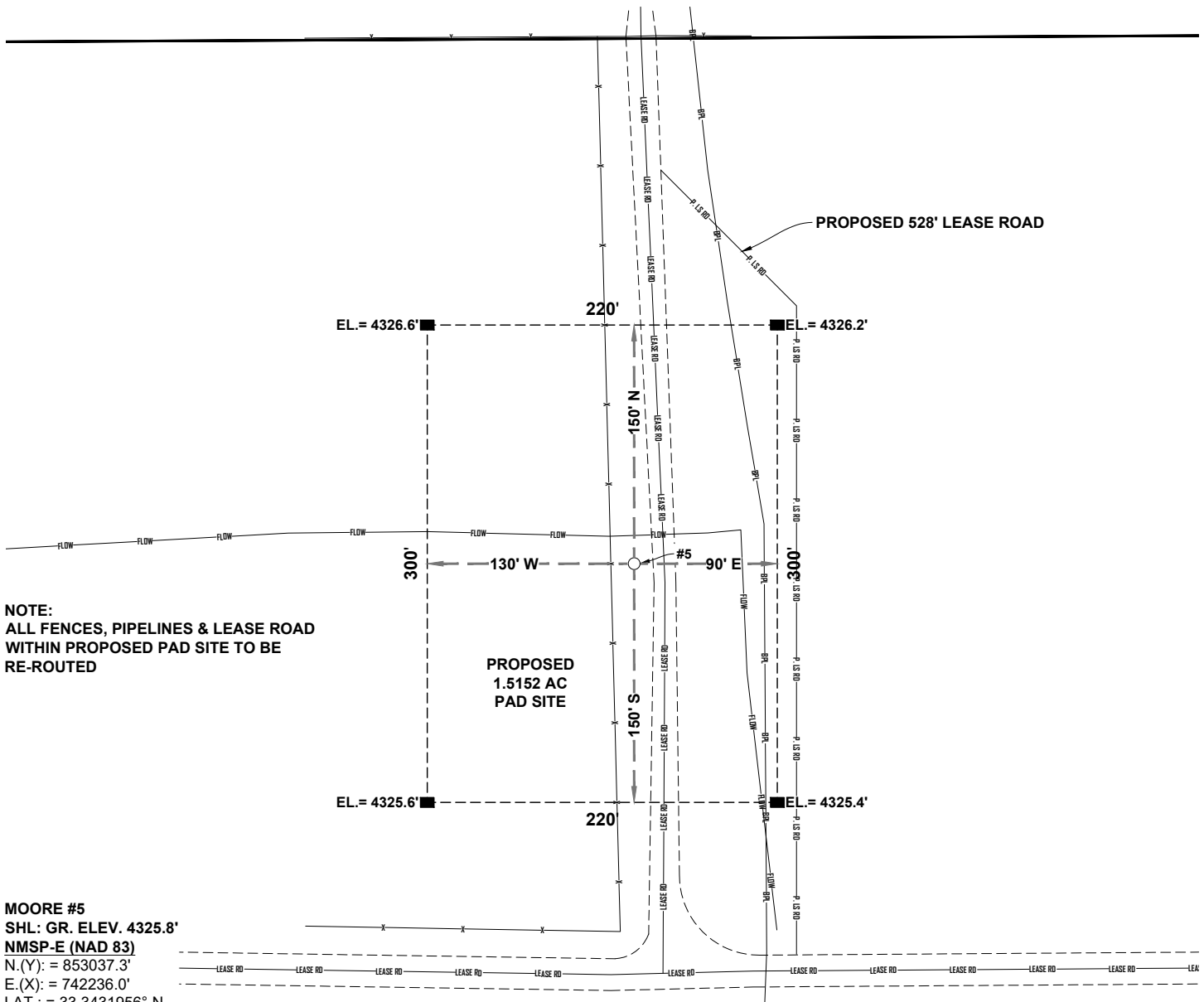
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RHOMBUS OPERATING COMPANY

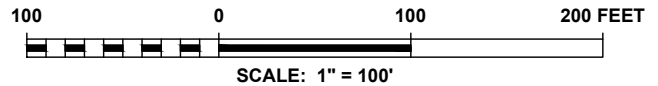
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SITE LOCATION



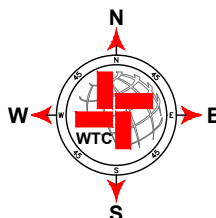
NOTE:
ALL FENCES, PIPELINES & LEASE ROAD
WITHIN PROPOSED PAD SITE TO BE
RE-ROUTED

MOORE #5
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NMSP-E (NAD 83)
N.(Y): = 853037.3'
E.(X): = 742236.0'
LAT.: = 33.3431956° N
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Form APD Conditions

Permit 355965

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: RHOMBUS OPERATING CO LTD [19111] P.O Box 627 Littleton, CO 801600627	API Number: 30-025-52576
	Well: MOORE #005

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	Will require a administrative order for non-standard location prior to placing the well on production
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 intermediate strings of casing
pkautz	If cement does not circulate on any string, a CBL is required for that string of casing
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud

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Revised August 1, 2011
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☐ AMENDED REPORT

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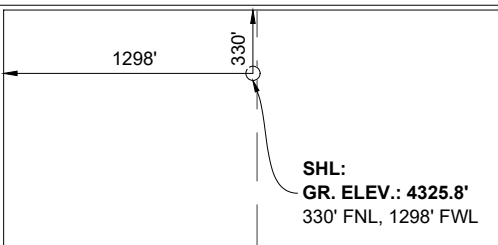
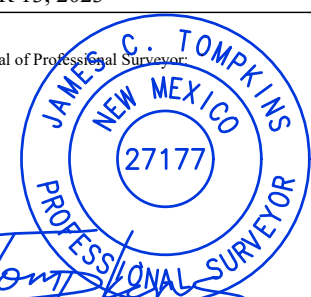
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	25	11-S	32-E		330'	NORTH	1298'	WEST	LEA

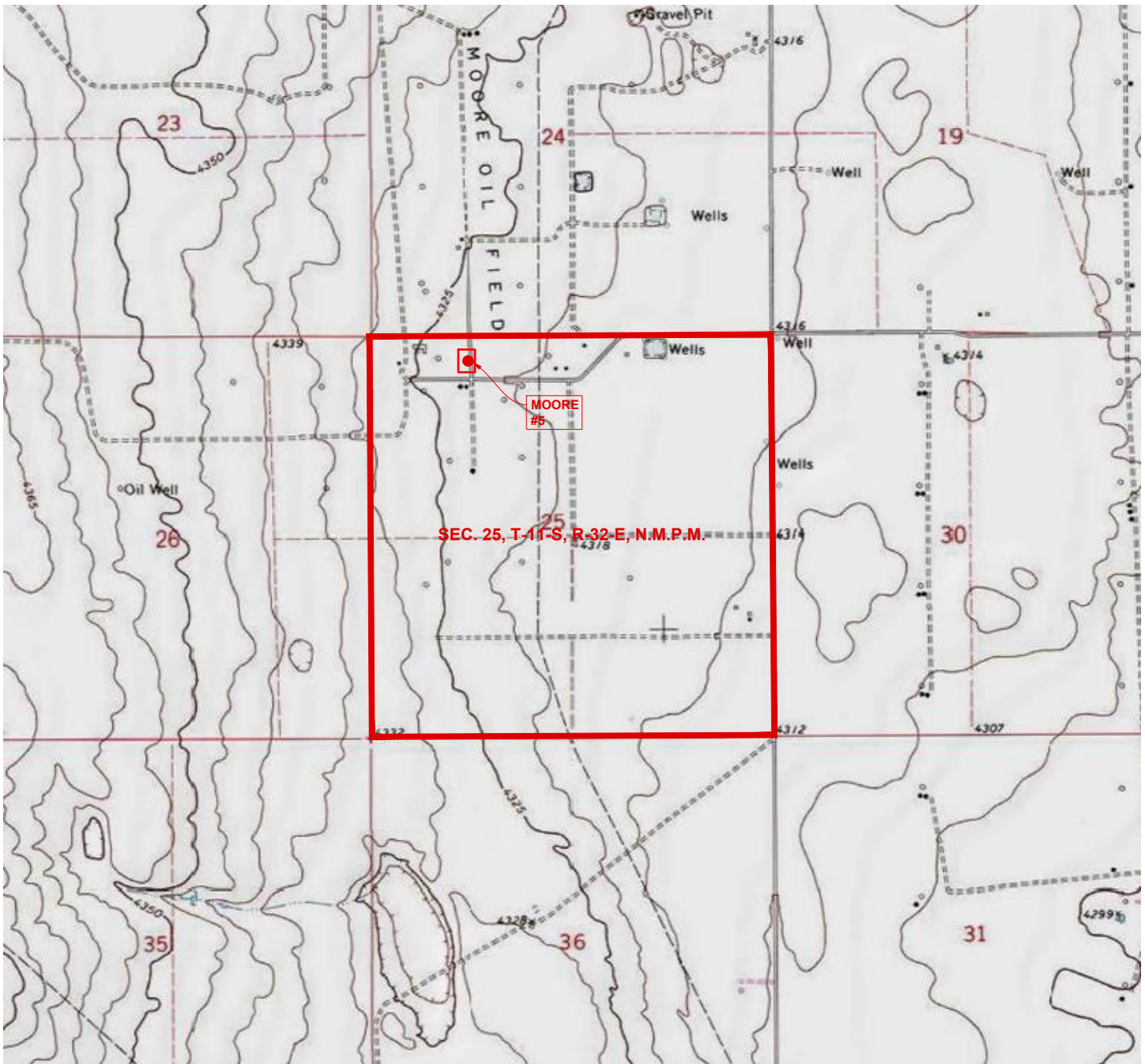
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

 <p>SHL: GR. ELEV.: 4325.8' 330' FNL, 1298' FWL</p>	<p>MOORE #5 SHL: GR. ELEV. 4325.8' NMSP-E (NAD 83) N.(Y): = 853037.3' E.(X): = 742236.0' LAT.: = 33.3431956° N LON.: = 103.6754840° W NMSP-E (NAD 27) N.(Y): = 852971.4' E.(X): = 701059.0' LAT.: = 33.3430871° N LON.: = 103.6749739° W</p>	<p>¹⁷OPERATOR CERTIFICATION <i>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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature _____ Date _____</p> <p>Print Name _____</p> <p>E-mail Address _____</p> <p>¹⁸SURVEYORS CERTIFICATION <i>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.</i></p> <p>DECEMBER 13, 2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Job No.: WTC-56273 Draft: FH! JAMES C. TOMPKINS 27117 DATE: 12/15/2023 Certificate Number</p>
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LOCATION VERIFICATION MAP

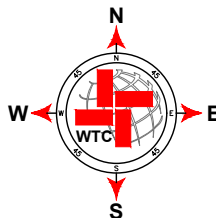


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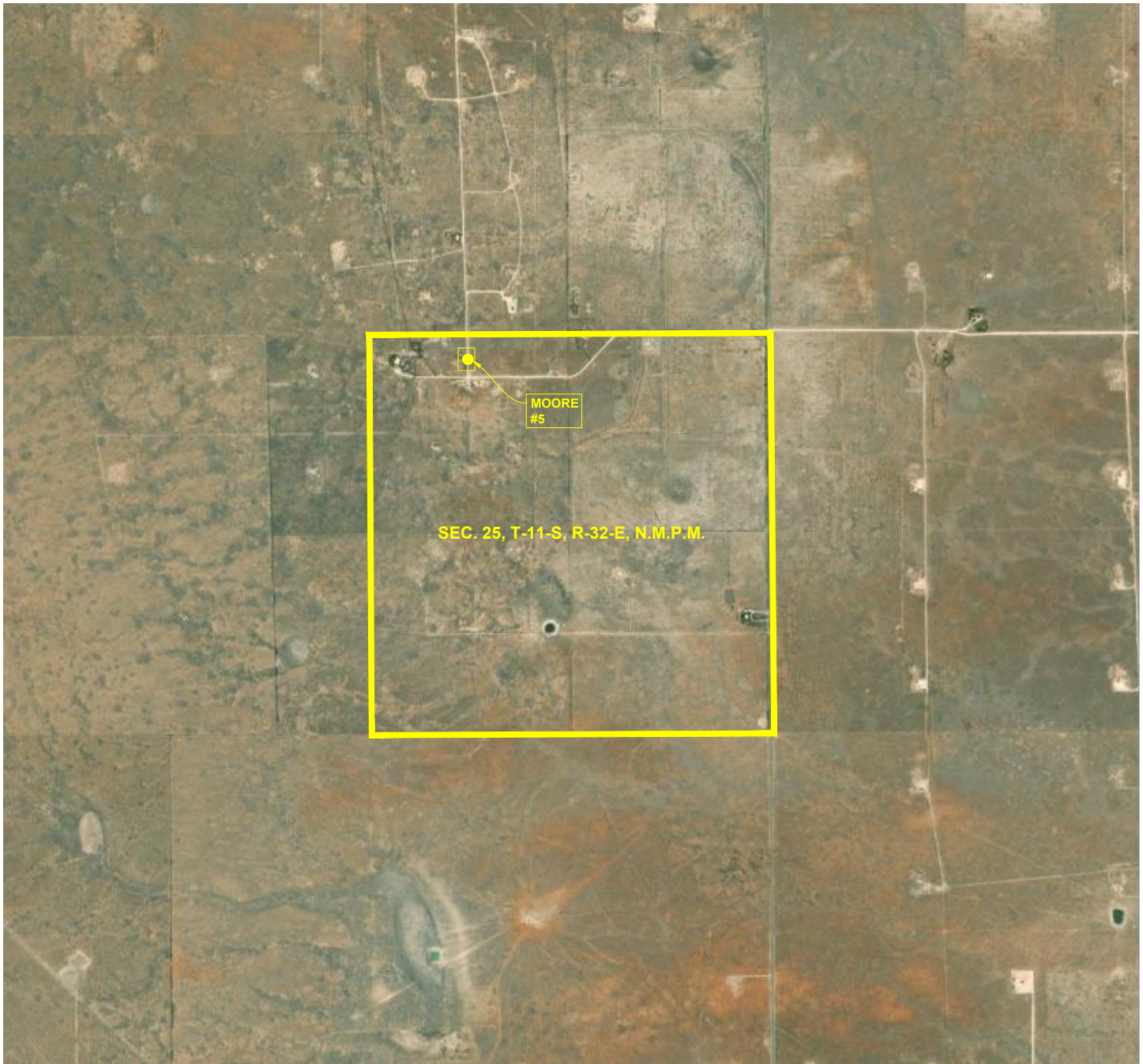
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RHOMBUS OPERATING COMPANY

JOB NO.: WTC56273

AERIAL MAP

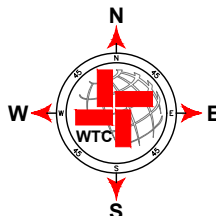


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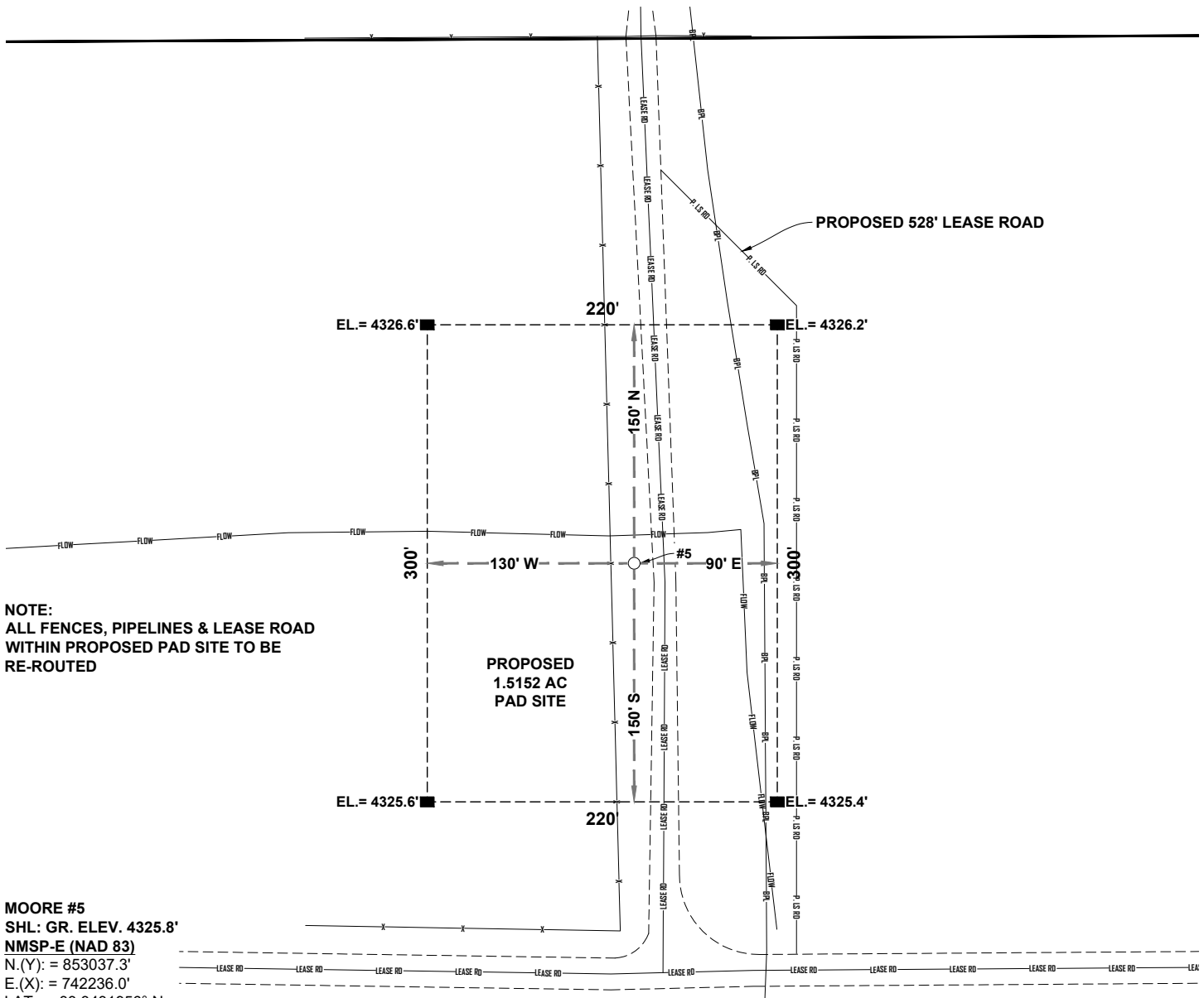
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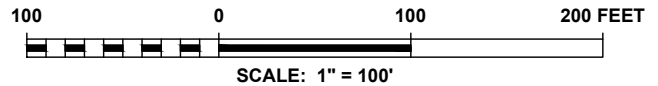
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SITE LOCATION



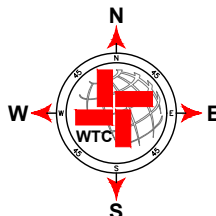
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State of New Mexico
Energy, Minerals and Natural Resources Department

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: Rhombus Operating Co, Ltd. **OGRID:** 19111 **Date:** 12/20/2023

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
Moore 5		D-25-11S-32E	330 FN	50	2	300
			1298 FW			

IV. Central Delivery Point Name: John H. Moore Battery [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
Moore 5		02/15/2024	3/06/2024	3/20/2024	3/25/2024	3/26/2024

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

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

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

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☒ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices


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

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Gregory D. Cielinski
Title: President of General Partner
E-mail Address: greg@rhombusop.com and cindy@rhombusop.com
Date: 12/20/2023
Phone: 720-839-2555
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Rhombus Operating Company Natural Gas Management Plan**VI. Separation Equipment**

- Separation equipment will be appropriately sized to provide adequate separation for anticipated rates on all three phases.
- Adequate separation relates to retention time for Liquid-Liquid separation and velocity for Gas-Liquid separation.
- Ancillary equipment and metering will be selected to be serviced without flow interruptions or the need to release gas from the well.
- This process minimizes the amount of flash gas that enters the end stage storage tanks that is subsequently vented or flared.

VII. Operational Practices**Drilling Operations**

- All flare stacks will be properly sized. The flare stacks 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, unless there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety and the environment, at which point the gas will be vented.

Completions/Recompletion Operations

- The well will not be flowed back until it is connected to a properly sized gathering system.
- During initial flowback, the well stream will be routed to separation equipment.
- The facility will be built/sized for maximum anticipated flowrates and pressures to minimize waste.
- At an existing facility, when necessary, post separation natural gas will be flared until it meets pipeline specifications, at which point it will be turned into a collection system. The flare will be equipped with a continuous pilot.
- At a new facility, post separation natural gas will be vented until storage tanks can safely function, at which point it will be flared until it meets pipeline spec.

Production Operations

- Weekly AVO inspections will be performed on all facilities.
- All flares will be equipped with auto-ignition systems and continuous pilot operations.
- After a well is stabilized from liquid unloading, the well will be turned back into the collection system.
- Leaking thief hatches found during AVOs will be cleaned and properly re-sealed.

Performance Standards for Separation, Storage Tank, and Flare Equipment

- Production equipment will be designed to handle maximum anticipated rates and pressure.
- All flared gas will be combusted in a flare stack that is properly sized and designed to ensure proper combustion. The flare will be equipped with a continuous pilot.
- Weekly AVO inspections will be performed on all facilities.
- Permanent storage tanks will have automatic gauging systems installed.
- Leaking thief hatches found during AVO inspections will be cleaned and properly re-sealed.

Measurement of Vented and Flared Natural Gas

- All volume that is flared or vented that is not measured will be estimated.
- All measurement equipment for flared volumes will conform to API 14.10.
- No meter bypasses will be installed.
- When metering is not practical due to low pressure/low rate, the vented or flared volume will be estimated.

VIII Best Management Practices During Maintenance

- During downhole well maintenance, Rhombus Operating Company will use best management practices to vent as minimally as possible.
- After downhole well maintenance, natural gas will be flared until it reaches pipeline specification.