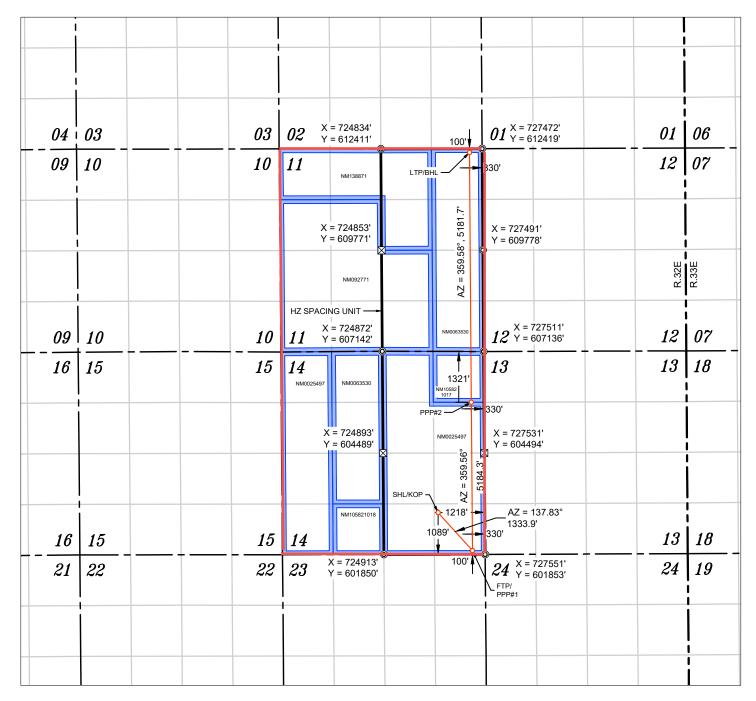
Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. DRILL REENTER 1a. Type of work: 1b. Type of Well: Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing Single Zone Multiple Zone 2. Name of Operator 9. API Well No. 30-025-54196 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface At proposed prod. zone 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. SUPO must be filed with the appropriate Forest Service Office). 6. Such other site specific information and/or plans as may be requested by the 25. Signature Name (Printed/Typed) Date Title Approved by (Signature) Name (Printed/Typed) Date Title Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction



*(Instructions on page 2)

| <u>C-10</u> | 12 | | En | | | tural l | Resources Depar | tment | | Revised July 9, 2024 | | | | | |
|--|----------------------------|---|--------------------|------------------|--|-----------------|--|----------------|-------------------|------------------------|----------------------|--|--|--|--|
| | Electronicall D Permitting | | | OIL (| CONSERV. | ATIC | ON DIVISION | | | X Initial Sul | bmittal | | | | |
| V 144 O C | D I cilintum | , | | | | | | | Submitta Type: | al | ☐ Amended Report | | | | |
| | | | | | | | □ As Drilled | | | | | | | | |
| | | | ! | | WELL LOC | ATIO | ATION INFORMATION | | | | | | | | |
| API Nu | mber 30-6 | 025-54196 | Pool Code | 41442 | 2 | Pool | Pool Name LUSK;BONE SPRING, EAST | | | | | | | | |
| Property | y Code 33 | 6580 | Property Na | ame | GRAY | LING | 14 FED COM | , | | Well Numbe | Well Number #206H | | | | |
| OGRID | | | Operator Na | ame | AVANT | OPE | RATING, LLC | | | Ground Leve | | | | | |
| Surface | Owner: S | State \square Fee \square | Tribal 🛛 Fe | deral | | | Mineral Owner: ☐ St | tate Fee | ☐ Tribal [| X Federal | 0021 | | | | |
| | | | | | Ç., | rfogo I | Location | | | | | | | | |
| UL | Section | Township | Range | Lot | Ft. from N/S | | Ft. from E/W | Latitude | | Longitude | County | | | | |
| P | 14 | 19 S | 32 E | Lot | 1089' FS | | 1218' FEL | 32.656 | 092° | -103.732261° | LEA | | | | |
| | | | | | Botte | om Hol | le Location | | | | | | | | |
| UL | Section | Township | Range | Lot | Ft. from N/S | | Ft. from E/W | Latitude | | Longitude | County | | | | |
| Α | 11 | 19 S | 32 E | | 100' FNL | _ | 330' FEL | 32.681 | 853° - | -103.729431° | LEA | | | | |
| | | | | | | | | | | | | | | | |
| Dedicat | ed Acres | Infill or Defin | ning Well | Defining | Well API | (| Overlapping Spacing U | Jnit (Y/N) | Consolid | ation Code | | | | | |
| 1280 | 0.00 | Infill | | | | | No | | | | | | | | |
| Order N | Numbers. | R-2361 | 5 | 1 | | | Well setbacks are under Common Ownership: □Yes ☒No | | | | | | | | |
| | | | | | Kick | Off Point (KOP) | | | | | | | | | |
| UL | Section | Township | Range | Lot | Ft. from N/S | | Ft. from E/W | Latitude | | Longitude | County | | | | |
| P | 14 | 19 S | 32 E | 200 | 1089' FS | | 1218' FEL | 32.656 | 092° | -103.732261° | LEA | | | | |
| | 1 | | | | | | Take Point (FTP) | | | | | | | | |
| UL | Section | Township | Range | Lot | Ft. from N/S | | Ft. from E/W | Latitude | | Longitude | County | | | | |
| Р | 14 | 19 S | 32 E | 100' FSL | | _ | 330' FEL 3 | | 361° - | -103.729370° | LEA | | | | |
| | | | | | Last | Take I | | | | | | | | | |
| UL | Section | Township | Range | Lot | Ft. from N/S | | Ft. from E/W | Latitude | | Longitude | County | | | | |
| Α | 11 | 19 S | 32 E | | 100' FNL | _ | 330' FEL | 32.681 | 853° | LEA | | | | | |
| | | | | | | | | | I | | | | | | |
| Unitize | d Area or Ar | ea of Uniform I | nterest | Spacing | Unit Type 🗓 Ho | orizonta | ıl 🗆 Vertical | Grou | nd Floor E | levation: 3624' | | | | | |
| | | | | | | | | | | | | | | | |
| | | TIFICATIONS information conta | | rue and com | olete to the best of | | JRVEYOR CERTIFING THE SET IN THE | | on this plat | t was plotted from fie | eld notes of actual | | | | |
| my know | ledge and belie | ef, and, if the well is a working intere | is a vertical or a | directional w | ell, that this | sur | veys made by me or under ny belief. | | | | correct to the best | | | | |
| including | g the proposed | bottom hole locati | ion or has a righ | nt to drill this | s well at this | 0,11 | ny bettej. | | | THEW | B. TOMES | | | | |
| interest, | or to a volunta | ry pooling agreem | | | unleased mineral order heretofore | | | | | A CW | MEKO E | | | | |
| interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. | | | | | | | | | | | | | | | |
| If this well is a horizontal well, I further certify that this organization has received the | | | | | | | | | | | 3203 | | | | |
| consent of at least one lessee or owner of a working interest or unleased mineral in each tract (in the target pool or formation) in which any part of the well's cominterval will be located or obtained a compulsory pooling order from the division | | | | | | | A | , | | () | | | | | |
| interval | will be located - | or obtained a com | pulsory pooling | g order from | the division. | | 17/12 | | |) TOFESSIO | DNAL SURVEYOR | | | | |
| Signatur | re | | Date | 1 <i>2</i> /11/ | <u> 2024 </u> | Sig | gnature and Seal of Profe | essional Surve | yor | | | | | | |
| | | ooker T- | | | | | 203 | OCTOBE | • | 124 | | | | | |
| Printed | | eghan Twe | eie | | | | rtificate Number | Date of Sur | | <u></u> | | | | | |
| Imited | | volo@41 | ole so | | | | | | , | | | | | | |
| Email A | | ele@outlo | ok.com | | | - | | | | | | | | | |
| | | | | | | 1 | | | | | | | | | |



WELL NAME: GRAYLING 14 FED COM #206H ELEVATION: 3624'

| NAD 83 (SHL/KOP) 1089' FSL & 1218' FEL |
|---|
| LATITUDE = 32.656092° |
| LONGITUDE = -103.732261° NAD 27 (SHL/KOP) |
| LATITUDE = 32.655971° |
| LONGITUDE = -103.731762° |
| STATE PLANE NAD 83 (N.M. EAST) N: 602940.71' E: 726325.10' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 602877.73' E: 685145.54' |

| NAD 83 (FTP/PPP#1) 100' FSL & 330' FEL |
|--|
| LATITUDE = 32.653361° |
| LONGITUDE = -103.729370° |
| NAD 27 (FTP/PPP#1) |
| LATITUDE = 32.653240° |
| LONGITUDE = -103.728871° |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 601952.19' E: 727220.64' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 601889.22' E: 686041.04' |

| 0 83 (FTP/PPP#1) 100' FSL & 330' FEL | Ι. | | | | | | |
|---|----|---|----------|--|--|--|--|
| TITUDE = 32.653361° NGITUDE = -103.729370° | | APPROXIMATE WELL BORI DISTANCE FROM FTP TO L | | | | | |
| AD 27 (FTP/PPP#1) | | NM0025497 | 3862.83' | | | | |
| TITUDE = 32.653240° | 1 | NM105821017 | 1321.47 | | | | |
| NGITUDE = -103.728871° | | NM0063530 | 5181.70' | | | | |
| ATE PLANE NAD 83 (N.M. EAST) | ΙI | 10366.00' | | | | | |
| 601952.19' E: 727220.64' | Ι' | | | | | | |

| NΑ | 0 83 (PPP#2) 1321' FNL & 330' FEL |
|----|-----------------------------------|
| L | TITUDE = 32.663978° |
| | NGITUDE = -103.729395° |
| N. | D 27 (PPP#2) |
| L | TITUDE = 32.663857° |
| LO | NGITUDE = -103.728895° |
| ST | ATE PLANE NAD 83 (N.M. EAST) |
| | 605814.90' E: 727191.07' |
| ST | ATE PLANE NAD 27 (N.M. EAST) |
| N: | 605751.83' E: 686011.58' |

| NAD 83 (LTP/BHL) 100' FNL & 330' FEL |
|--------------------------------------|
| LATITUDE = 32.681853° |
| LONGITUDE = -103.729431° |
| NAD 27 (LTP/BHL) |
| LATITUDE = 32.681732° |
| LONGITUDE = -103.728931° |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 612317.88' E: 727142.80' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 612254.65' E: 685963.49' |

| NM0063530 | 5181.70' | |
|-----------|-----------|---|
| TOTAL | 10366.00' | |
| | | • |
| | | |
| | | |
| | | |
| | | |

FOUND MONUMENT X CALC. CORNER O SHL/ KOP/ FTP / PPP/ LTP / BHL HORIZONTAL SPACING UNIT STATE OIL & GAS LEASE BLM OIL & GAS LEASE

NOTES

- 1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE COORDINATES SYSTEM, NORTH AMERICAN DATUM 83, NEW MEXICO EAST (3001).
- 2. THIS DOCUMENT IS BASED UPON AN ON THE GROUND SURVEY PERFORMED DURING OCTOBER, 2024. CERTIFICATION OF THIS DOCUMENT IS ONLY TO THE LOCATION OF THIS EASEMENT IN RELATION TO RECORDED MONUMENT OF DEEDS PROVIDED BY THE CLIENT.
- 3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.



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: Avant Operating, LLC **OGRID:** 330396 **Date:** 07/15/2024

II. Type: \square Original \square Amendment due to \square 19.15.27.9.D(6)(a) NMAC \square 19.15.27.9.D(6)(b) NMAC \square 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 | Well Name API | | Footages | Anticipated | Anticipated | Anticipated |
|--------------------------|---------------|----------------|-----------------|-------------|-------------|----------------|
| | | | | Oil BBL/D | Gas MCF/D | Produced Water |
| | | | | | | BBL/D |
| Grayling 14 Fed Com 204H | | P-14-T19S-R32E | 1120FSL/1243FEL | 1250 BBL/D | 2300 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 205H | | P-14-T19S-R32E | 1105FSL/1231FEL | 1250 BBL/D | 2300 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 206H | | P-14-T19S-R32E | 1089FSL/1218FEL | 1250 BBL/D | 2300 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 304H | | O-14-T19S-R32E | 1025FSL/1359FEL | 950 BBL/D | 1900 MCF/D | 5000 BBL/D |
| Grayling 14 Fed Com 305H | | O-14-T19S-R32E | 1009FSL/1347FEL | 950 BBL/D | 1900 MCF/D | 5000 BBL/D |
| Grayling 14 Fed Com 306H | | O-14-T19S-R32E | 994FSL/1334FEL | 950 BBL/D | 1900 MCF/D | 5000 BBL/D |
| Grayling 14 Fed Com 504H | | O-14-T19S-R32E | 929FSL/1476FEL | 1400 BBL/D | 2800 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 505H | | O-14-T19S-R32E | 914FSL/1463FEL | 1400 BBL/D | 2800 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 506H | | O-14-T19S-R32E | 898FSL/1450FEL | 1400 BBL/D | 2800 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 604H | | O-14-T19S-R32E | 833FSL/1592FEL | 1300 BBL/D | 2600 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 605H | | O-14-T19S-R32E | 818FSL/1579FEL | 1300 BBL/D | 2600 MCF/D | 7000 BBL/D |
| Grayling 14 Fed Com 606H | | O-14-T19S-R32E | 803FSL/1567FEL | 1300 BBL/D | 2600 MCF/D | 7000 BBL/D |

IV. Central Delivery Point Name: Grayling CTB [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 | Completion | Initial Flow | First Production |
|--------------------------|-----|------------|------------|-------------------|--------------|------------------|
| | | | Date | Commencement Date | Back Date | Date |
| | | | | | | |
| Grayling 14 Fed Com 204H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 205H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 206H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 304H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 305H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 306H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 504H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 505H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 506H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 604H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 605H | | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |
| Grayling 14 Fed Com 606H | • | 12/15/2024 | 01/26/2025 | 02/01/2025 | 03/26/2025 | 03/26/2025 |

VI. Separation Equipment: \boxtimes Attach a complete description of how Operator will size separation equipment to optimize gas capture. VII. Operational Practices: \boxtimes 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.

(h)

Section 3 - Certifications <u>Effective May 25, 2021</u>

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; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and

Section 4 - Notices

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

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- 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: John Harper |
| Title: SVP Assets and Exploration |
| E-mail Address: John@avantnr.com |
| Date: 07/15/24 |
| Phone: 678-988-6644 |
| OIL CONSERVATION DIVISION |
| (Only applicable when submitted as a standalone form) |
| Approved By: |
| Title: |
| Approval Date: |
| Conditions of Approval: |
| |
| |
| |
| |

Avant Operating, LLC Natural Gas Management Plan

- VI. Separation equipment will be sized by construction engineering staff based on stated manufacturer daily throughput capacities and anticipated daily production rates to ensure adequate capacity. Closed vent system piping, compression needs, and VRUs will be sized utilizing ProMax modelling software to ensure adequate capacity for anticipated production volumes and conditions.
- VII. Avant Operating, LLC (Avant) will take the following actions to comply with the regulations listed in 19.15.27.8:
 - A. Avant will maximize the recovery of natural gas by minimizing the waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. Avant will ensure that well(s) will be connected to a natural gas gathering system with sufficient capacity to transport natural gas.
 - B. All drilling operations will be equipped with a rig flare located at least 100' from the nearest surface hole. Rig flare will be utilized to combust any natural gas that is brought to surface during normal drilling operations. In the case of emergency venting or flaring the volumes will be estimated and reported appropriately.
 - C. During completion operations any natural gas brought to surface will be flared. Immediately following the finish of completion operations, all well flowback will be directed to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. It is not anticipated that gas will not meet pipeline standards. However, if natural gas does not meet gathering pipeline quality specifications, Avant will flare the natural gas for 60 days or until the natural gas meets the pipeline quality specifications. Avant will ensure that the flare is sized properly and is equipped with automatic igniter or continuous pilot. The gas sample will be analyzed twice per week and the gas will be routed into a gathering system as soon as pipeline specifications are met.
 - D. Avant will comply with the performance standards requirements and provisions listed in 19.15.27.8 (I) through (8). All equipment will be designed and sized to handle maximum anticipated pressures and throughputs to minimize the waste. Production storage tanks constructed after May 25, 2021, will be equipped with automatic gauging system. Flares constructed after May 25, 2021, will be equipped with automatic igniter or continuous pilot. Flares will be located at least 100' from the well and storage tanks unless otherwise approved by the division. Avant will conduct AVO inspections as described in 19.15.27.8 E (5) (a) with frequencies specified in 19.15.27.8 E (5) (b) and (c). All emergencies will be resolved as quickly and safely as feasible to minimize waste.
 - E. The volume of natural gas that is vented or flared as the result of malfunction or emergency during drilling and completions operations will be estimated. The volume of natural gas that is vented, flared, or beneficially used during production operations, will be measured, or estimated. Avant will install equipment to measure



APD ID: 10400096951

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

Submission Date: 02/05/2024

Operator Name: AVANT OPERATING LLC

Highlighted data reflects the most recent changes

Well Name: GRAYLING 14 FED COM Well Number: 206H

Well Type: OIL WELL Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical | Measured Depth | Lithologies | Mineral Resources | Formatio | |
|--------------|-------------------|-----------|---------------|-------------------|-----------------|-------------------|----------|--|
| 14653505 | QUATERNARY | 3624 | 0 | 0 | OTHER : Caliche | USEABLE WATER | N | |
| 14653506 | RUSTLER ANHYDRITE | 2497 | 1127 | 1127 | ANHYDRITE | NONE | N | |
| 14653508 | SALADO | 2194 | 1430 | 1430 | SALT | NONE | N | |
| 14653507 | YATES | 824 | 2800 | 2809 | SANDSTONE | NATURAL GAS, OIL | N | |
| 14653516 | CAPITAN REEF | 74 | 3550 | 3576 | LIMESTONE | USEABLE WATER | N | |
| 14653509 | CHERRY CANYON | -2251 | 5875 | 6549 | SANDSTONE | NATURAL GAS, OIL | N | |
| 14653514 | BRUSHY CANYON | -2833 | 6457 | 6620 | SANDSTONE | NATURAL GAS, OIL | N | |
| 14653511 | BONE SPRING | -3876 | 7500 | 7607 | SANDSTONE | NATURAL GAS, OIL | Y | |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 15000

Equipment: A minimum 5M system will be used. The minimum blowout preventer equipment (BOPE) shown in BOP Diagram will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer, and an annular preventer (5000-psi WP). Both units will be hydraulically operated, and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas Order 2.

Requesting Variance? YES

Variance request: Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line). Co-flex line will be tested in accordance with highest BOP test pressures (5000 psi) before drilling out of surface casing and (5000 psi) before drilling out of intermediate casing. Pressure tests will be charted for records. The manufacturers hydrostatic test report will be kept on location for inspection.

Testing Procedure: Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000 (high) / 250 (low) psig and the annular preventer to 3500 (high) / 250 (low) psig by an independent service company. Test charts will always be kept on site. Surface casing will be tested to 1500 psi for 30 minutes. Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000 (high) / 250 (low) psig and the annular preventer to 3500 (high) / 250 (low) psig by an independent service company. Test charts will always be kept on site. Intermediate casing will be tested to

Well Name: GRAYLING 14 FED COM Well Number: 206H

1500 psi for 30 minutes. A solid steel body pack-off will be used after running and cementing the intermediate casing. After installation, pack-off and lower flange will be pressure tested to 5000 psi. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe. This pressure test will be repeated at least once every 30 days, as per Onshore Order 2. Kelly cock will always be kept in the drill string. Full opening drill pipe stabbing valve (inside BOP) with proper drill pipe connections will always be kept on the rig floor. The multibowl wellhead will be installed by a third-party welder while being monitored by the vendors representative. All BOP equipment will be tested using a conventional test plug - not a cup or J-packer type. Both the surface and intermediate casing strings will be tested as per Onshore Order 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

Choke Diagram Attachment:

5M_Choke_Diagram_20240130141108.pdf

BOP Diagram Attachment:

5M_BOP_Diagram_20240130141112.pdf

Section 3 - Casing

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|------------------|-----------|----------|-----------|------------|----------------|------------|---------------|-------------|----------------|-------------|----------------|--------------------------------|-------------|--------|------------|-------------|-----------|---------------|----------|--------------|---------|
| 1 | SURFACE | 17.5 | 13.375 | NEW | API | N | 0 | 1152 | 0 | 1152 | 3624 | 2472 | 1152 | J-55 | 54.5 | LT&C | 1.12 5 | 1.12 5 | DRY | 1.6 | DRY | 1.6 |
| | INTERMED IATE | 12.2 5 | 9.625 | NEW | API | N | 0 | 5597 | 0 | 5475 | 3640 | -1851 | 5597 | J-55 | 40 | LT&C | 1.12 5 | 1.12 5 | DRY | 1.6 | DRY | 1.6 |
| | PRODUCTI ON | 8.75 | 5.5 | NEW | NON API | N | 0 | 18546 | 0 | 8150 | 3679 | -4526 | 18546 | HCP -110 | | | _ | 1.12 5 | DRY | 1.6 | DRY | 1.6 |

Casing Attachments

Well Name: GRAYLING 14 FED COM Well Number: 206H

Casing Attachments

Casing ID: 1

String

SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Grayling_Pad_3_Casing_Design_Assumptions_20240131172437.pdf

Casing ID: 2

String

INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Grayling_Pad_3_Casing_Design_Assumptions_20240130152438.pdf

Casing ID: 3

String

PRODUCTION

Inspection Document:

Spec Document:

5.5_Casing_Specs_20240130152531.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Grayling_Pad_3_Casing_Design_Assumptions_20240131172419.pdf

Section 4 - Cement

Well Name: GRAYLING 14 FED COM Well Number: 206H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|---------------------|--------|-----------|--------------|-------|---------|-------|---------|----------------------------------|--|
| SURFACE | Lead | | 0 | 1152 | 470 | 1.9 | 10.7 | 893 | 50 | 35% B_POZ & 65% Class C | 6% Gel+5% SALT+0.25PPS Pol-E- Flake+0.005GPS |
| SURFACE | Tail | | 852 | 1152 | 215 | 1.33 | 14.8 | 286 | 20 | Class C | 1% CaCl2+0.005GPS NoFoam V1A |
| INTERMEDIATE | Lead | | 0 | 5597 | 1045 | 1.9 | 12.8 | 1985 | 50 | 35% Class B Poz + 65% Class C | 6% Gel+5% SALT+0.3% R- 1300+0.005GPS |
| INTERMEDIATE | Tail | | 4476 | 5597 | 325 | 1.36 | 14.8 | 442 | 20 | Class C | 5% SALT+0.005GPS NoFoam V1A |
| PRODUCTION | Lead | | 0 | 1854 6 | 690 | 3.38 | 10.7 | 2332 | 50 | 100% ProLite | 5PPS Plexcrete STE+2% SMS+0.65% R-1300+0.2% FL- 24+3PPS Gilsonite+0.005GPS NoFoam V1A |
| PRODUCTION | Tail | | 7857 | 1854 6 | 2685 | 1.21 | 14.5 | 3249 | 20 | 50% B_POZ & 50% Class H | 5% SALT+0.05% RCKCAS-100+0.75% R-1201+0.5% FL- 24+0.005GPS NoFoam V1A |

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials (e. g., barite, bentonite, LCM) to maintain mud properties and meet minimum lost circulation and weight increase requirements will always be kept on site.

Describe the mud monitoring system utilized: An electronic pit volume totalizer (PVT) mud system will monitor pit volumes for gains or losses, flow rate, pump pressures, and stroke rate.

Circulating Medium Table

| Top Depth |
|-----------------------------|
| Bottom Depth |
| Mud Type |
| Min Weight (lbs/gal) |
| Max Weight (lbs/gal) |
| Density (lbs/cu ft) |
| Gel Strength (lbs/100 sqft) |
| ЬН |
| Viscosity (CP) |
| Salinity (ppm) |
| Filtration (cc) |
| Additional Characteristics |

Well Name: GRAYLING 14 FED COM Well Number: 206H

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | Н | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|------------------------|----------------------|----------------------|---------------------|-----------------------------|---|----------------|----------------|-----------------|----------------------------|
| 0 | 1152 | OTHER : Fresh Water | 8.4 | 10.1 | | | | | | | |
| 1152 | 5597 | OTHER : Brine | 10 | 10.5 | | | | | | | |
| 5597 | 7857 | OTHER : Cut Brine | 9.2 | 9.5 | | | | | | | |
| 7857 | 8607 | OTHER : Cut Brine | 9.5 | 9.5 | | | | | | | |
| 8607 | 1854 6 | OIL-BASED MUD | 9.5 | 9.8 | | | | | | | |

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

GR log will be acquired by MWD tools throughout the well.

List of open and cased hole logs run in the well:

GAMMA RAY LOG,

Coring operation description for the well:

No core or open hole or cased hole log is planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 3912 Anticipated Surface Pressure: 2118

Anticipated Bottom Hole Temperature(F): 155

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

Grayling_Pad_3_H2S_Packet_20240130141524.pdf

Well Name: GRAYLING 14 FED COM Well Number: 206H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Grayling_14_Fed_Com_206H_Plan_0.1_Report_20240131172716.pdf

Other proposed operations facets description:

All casing strings below the conductor will be pressure tested to 0.22 psi/ft x casing string length, or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, then corrective action will be taken.

Other proposed operations facets attachment:

Grayling_Speedhead_Specs_20240130154745.pdf

Grayling_14_Fed_Com_206H_Plan_0.1_Anti_Collision_20240131172721.pdf

Grayling_14_Fed_Com_206H_WBS_Prelim_20240131172726.pdf

Avant_Natural_Resources_Grayling_14_Fed_Com__206H__240126160217_A___Entire_Well__No_Pricing_202401311727

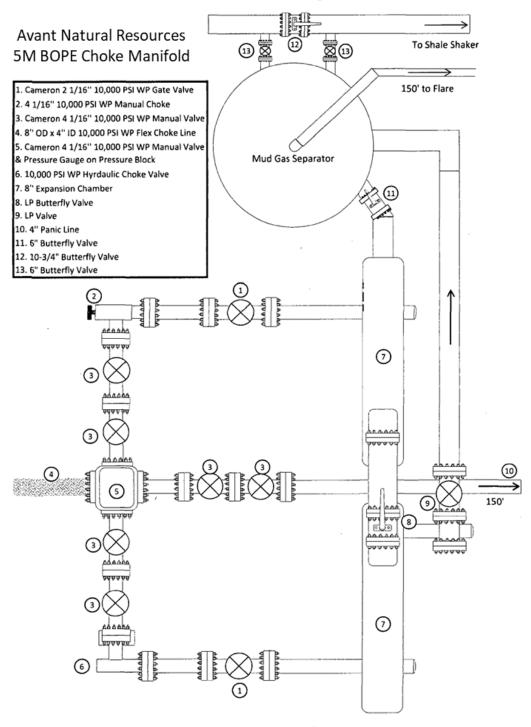
Flex Line Certification 20240614093951.pdf

Avant_Natural_Resources___3_String_Bone_Spring_Well___AES_VERT_MP_20240614093956.pdf

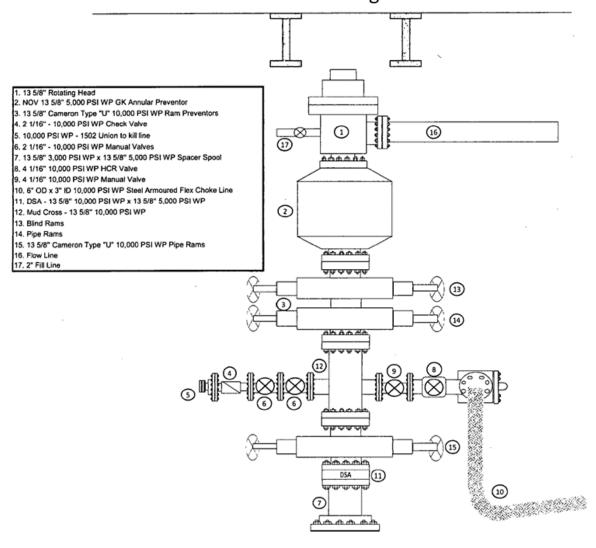
Other Variance attachment:

Grayling_206H_Casing_Cementing_Variance_20240131172737.pdf

Choke Manifold Diagram



Avant Natural Resources 5M BOP Diagram





PERFORMANCE DATA SHEET

Revised May 2020

5.500" 20.0# IP HCP-110 with GB CD Butt

| DIMENSIONAL DATA | | | |
|--------------------------|---------------|-----------------------------------|------------------|
| Casing OD | 5.500 in | Pipe Grade | IP HCP-110 |
| Coupling OD | 6.300 in | Coupling Grade | P-110 |
| Pipe Gauge | 0.361 in | T&C WPF | 20.00 lbs/ft |
| Drift Diameter | 4.653 in | PE WPF | 19.83 lbs/ft |
| MECHANICAL DATA | | | |
| Pipe IP Yield Minimum | 125,000 psi | Collapse Pressure | 12,200 ps |
| Pipe Tensile Minimum | 125,000 psi | Pipe Body Internal Yield Pressure | 14,360 ps |
| Coupling Yield Minimum | 110,000 psi | Leak at E7 Plane | 21,500 ps |
| Coupling Tensile Minimum | 125,000 psi | Pipe Hydrostatic Test @ 80% SMYS | 13,100 ps |
| CONNECTION & PIPE DATA | | | |
| Thread Name | GB CD Butt | Coupling Thread Fracture Strength | 1,013,000 lbs |
| Joint Strength | 685,000 lbs | Pipe Body Plain End Yield | 729,000 lbs |
| Minimum Makeup Torque | 10,000 ft-lbs | Pipe Thread Fracture Strength | 685,000 lbs |
| Maximum Make-up Torque | 20,000 ft-lbs | Coupling Internal Yield Pressure | 16,240 ps |
| Maximum Operating Torque | 33,660 ft-lbs | | |
| | | | |

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CASING DESIGN CRITERIA & LOAD CASE ASSUMPTIONS

SURFACE CASING:

| SIZE (in) | SURFACE CASING | ID (in) | DRIFT (in) | BURST (psi) | COLLAPSE (psi) | TENSION (k-lbs) | JOINT STRENGTH (k-lbs) | DEPTHS |
|--------------|----------------|------------|---------------|----------------|-------------------|--------------------|------------------------------|----------|
| 13.375" | 54.5# J-55 LTC | 12.615 | 12.459 | 2740 | 1130 | 853 | 909 | 0' – SCP |

Collapse: $DF_C = 1.25$

- Full internal evacuation: Collapse force equal to the mud gradient in which the casing will be ran.
- Cementing: Collapse force equal to the gradient of the planned cement slurries to planned depths and an internal force equal to the fluid gradient of displacement fluid.

Burst: $DF_B = 1.25$

• Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the gradient in which the casing will be ran.

Tension: $DF_T = 1.6$

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string, without considering buoyancy.

INTERMEIDATE CASING:

| SIZE (in) | INTERMEDIATE CASING | ID (in) | DRIFT (in) | BURST (psi) | COLLAPSE (psi) | TENSION (k-lbs) | JOINT STRENGTH (k-lbs) | DEPTHS |
|--------------|------------------------|------------|---------------|----------------|----------------|--------------------|------------------------------|-----------|
| 9-5/8" | 40# J-55 LTC | 8.835 | 8.679 | 3950 | 2570 | 630 | 520 | 0' – ICP' |

Collapse: $DF_C = 1.25$

- Full Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be ran.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and an internal force equal to fluid gradient of displacement fluid.

Burst: $DF_B = 1.25$

- Pressure Test: Casing test per Onshore Oil and Gas Order No. 2 with an external force equal to the mud gradient in which the casing will be ran.
- Gas Kick Profile: Internal burst force at the shoe will be fracture pressure at that depth. Surface
 burst pressure will be fracture gradient at setting depth less a gas gradient to equivalent height of
 50 bbl kick with Drill Pipe inside casing and mud gradient with which the next hole section will
 be ran above that. External force will be equal to the mud gradient in which the casing will be
 ran.

• Fracture at Shoe with 1/3 BHP at Surface: Internal burst force at the shoe will be fracture pressure at setting depth. Internal burst force at surface will be 1/3 of pore pressure at setting depth. External force will be equal to the mud gradient in which the casing will be ran.

Tension: $DF_T = 1.6$

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string, without considering buoyancy.

PRODUCTION CASING:

| SIZE (in) | PRODUCTION CASING | ID (in) | DRIFT (in) | BURST (psi) | COLLAPSE (psi) | TENSION (k-lbs) | JOINT TENSION (k-lbs) | DEPTHS |
|--------------|-------------------|------------|---------------|----------------|----------------|--------------------|-----------------------------|--------------|
| 5-1/2" | 20# HCP-110 GBCD | 4.778 | 4.653 | 12,640 | 12,200 | 641 | 641 | 0' - 24,000' |

Collapse: $DF_C = 1.25$

- Partial Internal Evacuation: Collapse force equal to the mud gradient in which the casing will be ran. Internal force equal to gas gradient over one-third of setting depth and mud gradient with which the next hole section will be ran below that.
- Cementing: Collapse force equal to the gradient of planned cement slurries to planned depths and mud gradient in which the casing will be ran above that and an internal force equal to the fluid gradient of displacement fluid.

Burst: $DF_B = 1.25$

- Pressure Test: 80% of burst casing test with an external force equal to the mud gradient in which the casing will be ran.
- Injection Down Casing: 9800 psi surface injection pressure plus an internal pressure gradient of with an external force equal to the mud gradient in which the casing will be ran.

Tension: $DF_T = 1.6$

• Overpull: A downward force of 100,000 lbs is applied at the shoe along with the weight of the casing string, without considering buoyancy.



Avant Operating, LLC

Lea Co., NM (NAD 83) Grayling 14 Fed Com Pad 3 Grayling 14 Fed Com 206H

OH

Plan: Plan 0.1

Standard Planning Report

30 January, 2024





Planning Report



Database: EDM 5000.16 Single User Db Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Grayling 14 Fed Com Pad 3
Well: Grayling 14 Fed Com 206H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Grayling 14 Fed Com 206H WELL @ 3650.5usft (3650.5) WELL @ 3650.5usft (3650.5)

Grid Minimum Curvature

Project Lea Co., NM (NAD 83)

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

IS State Plane 1983 System Datum: orth American Datum 1983

Mean Sea Level

Site Grayling 14 Fed Com Pad 3

 Site Position:
 Northing:
 602,875.65 usft
 Latitude:
 32.6559150°N

 From:
 Lat/Long
 Easting:
 726,183.98 usft
 Longitude:
 103.7327210°W

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

Well Grayling 14 Fed Com 206H **Well Position** +N/-S 0.0 usft 602,940.85 usft Latitude: 32.6560920°N Northing: +E/-W 0.0 usft Easting: 726,325.18 usft Longitude: 103.7322610°W **Position Uncertainty** 0.0 usft Wellhead Elevation: usft **Ground Level:** 3,624.0 usft

Grid Convergence: 0.32 °

ОН Wellbore Dip Angle Magnetics **Model Name** Sample Date Declination Field Strength (°) (°) (nT) 49,665.20015715 IGRF2000 12/31/2004 8.67 60.81

Plan 0.1 Design Audit Notes: **PROTOTYPE** 0.0 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 4.98

 Plan Survey Tool Program
 Date 1/30/2024

 Depth From (usft)
 Depth To (usft)
 Survey (Wellbore)
 Tool Name
 Remarks

 1
 0.0
 18,545.7
 Plan 0.1 (OH)
 B001Mb_MWD+HRGM

OWSG MWD + HRGM

Plan Sections Dogleg Measured Vertical Build Turn Depth Inclination Azimuth Depth +N/-S +E/-W Rate Rate Rate TFO (usft) (°) (°) (usft) (usft) (usft) (°/100usft) (°/100usft) (°/100usft) (°) Target 0.0 0.00 0.00 0.0 0.0 0.0 0.00 0.00 0.00 0.00 2,000.0 0.00 0.00 2,000.0 0.0 0.0 0.00 0.00 0.00 0.00 2,813.5 16.27 139.51 2,802.6 -87.3 74.5 2.00 2.00 0.00 139.51 6,870.8 16.27 139.51 6,697.4 -951.7 812.5 0.00 0.00 0.00 0.00 7,684.3 -1,039.0 0.00 0.00 7,500.0 887.0 2.00 -2.00 0.00 180.00 7,856.8 -1,039.0 0.00 0.00 7,672.5 887.0 0.00 0.00 0.00 0.00 8,606.8 90.00 359.62 8,150.0 -561.5 883.8 12.00 12.00 0.00 359.62 9,377.2 817.7 0.00 0.00 18,545.7 90.00 359.62 8,150.0 0.00 0.00 Grayling 14 Fed Com

Planning Report



Database: EDM 5000.16 Single User Db Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Grayling 14 Fed Com Pad 3
Well: Grayling 14 Fed Com 206H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

| anned 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 |
| | 0.00 | 0.00 | 400.0 | | 0.0 | | | 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 |
| 1,127.0 | 0.00 | 0.00 | 1,127.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| Rustler | | | | | | | | | |
| 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 |
| 1,430.0 | 0.00 | 0.00 | 1,430.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| Solado | | | | | | | | | |
| 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 |
| KOP - Start B | uild 2.00 | | | | | | | | |
| 2,100.0 | 2.00 | 139.51 | 2,100.0 | -1.3 | 1.1 | -1.2 | 2.00 | 2.00 | 0.00 |
| 2,200.0 | 4.00 | 139.51 | 2,199.8 | -5.3 | 4.5 | -4.9 | 2.00 | 2.00 | 0.00 |
| 0.200.0 | 0.00 | 400.54 | 0.000 5 | 44.0 | 40.0 | 44.0 | 2.00 | 2.00 | 0.00 |
| 2,300.0 | 6.00 | 139.51 | 2,299.5 | -11.9 | 10.2 | -11.0 | 2.00 | 2.00 | 0.00 |
| 2,400.0 | 8.00 | 139.51 | 2,398.7 | -21.2 | 18.1 | -19.6 | 2.00 | 2.00 | 0.00 |
| 2,500.0 | 10.00 | 139.51 | 2,497.5 | -33.1 | 28.3 | -30.5 | 2.00 | 2.00 | 0.00 |
| 2,600.0 | 12.00 | 139.51 | 2,595.6 | -47.6 | 40.6 | -43.9 | 2.00 | 2.00 | 0.00 |
| 2,700.0 | 14.00 | 139.51 | 2,693.1 | -64.7 | 55.3 | -59.7 | 2.00 | 2.00 | 0.00 |
| 2,800.0 | 16.00 | 139.51 | 2,789.6 | -84.4 | 72.1 | -77.8 | 2.00 | 2.00 | 0.00 |
| 2,810.8 | 16.22 | 139.51 | 2,800.0 | -86.7 | 74.0 | -79.9 | 2.00 | 2.00 | 0.00 |
| Yates | 10.22 | 100.01 | 2,000.0 | 00.7 | 7 1.0 | 70.0 | 2.00 | 2.00 | 0.00 |
| 2,813.5 | 16.27 | 139.51 | 2,802.6 | -87.3 | 74.5 | -80.5 | 2.00 | 2.00 | 0.00 |
| | | | 2,002.0 | -07.3 | 74.5 | -00.5 | 2.00 | 2.00 | 0.00 |
| | nold at 2813.5 M | | 0.005.0 | 405.7 | 00.0 | 07.5 | 0.00 | 0.00 | 0.00 |
| 2,900.0 | 16.27 | 139.51 | 2,885.6 | -105.7 | 90.2 | -97.5 | 0.00 | 0.00 | 0.00 |
| 3,000.0 | 16.27 | 139.51 | 2,981.6 | -127.0 | 108.4 | -117.1 | 0.00 | 0.00 | 0.00 |
| 3,100.0 | 16.27 | 139.51 | 3,077.6 | -148.3 | 126.6 | -136.7 | 0.00 | 0.00 | 0.00 |
| 3,200.0 | 16.27 | 139.51 | 3,173.6 | -169.6 | 144.8 | -156.4 | 0.00 | 0.00 | 0.00 |
| 3,300.0 | 16.27 | 139.51 | 3,269.6 | -190.9 | 163.0 | -176.0 | 0.00 | 0.00 | 0.00 |
| 3,400.0 | 16.27 | 139.51 | 3,365.6 | -212.2 | 181.2 | -170.0 | 0.00 | 0.00 | 0.00 |
| 3,500.0 | 16.27 | 139.51 | 3,461.6 | -233.5 | 199.4 | -215.3 | 0.00 | 0.00 | 0.00 |
| 3,300.0 | 10.27 | | 3,401.0 | | | | 0.00 | 0.00 | 0.00 |
| 3,592.1 | 16.27 | 139.51 | 3,550.0 | -253.1 | 216.1 | -233.4 | 0.00 | 0.00 | 0.00 |
| Capitan Reef | | | | | | | | | |
| 3,600.0 | 16.27 | 139.51 | 3,557.6 | -254.8 | 217.6 | -235.0 | 0.00 | 0.00 | 0.00 |
| 3,700.0 | 16.27 | 139.51 | 3,653.6 | -276.1 | 235.7 | -254.6 | 0.00 | 0.00 | 0.00 |
| 3,800.0 | 16.27 | 139.51 | 3,749.6 | -297.5 | 253.7 | -274.3 | 0.00 | 0.00 | 0.00 |
| 3,900.0 | 16.27 | 139.51 | 3,845.6 | -318.8 | 272.1 | -274.3 | 0.00 | 0.00 | 0.00 |
| 3,900.0 | 10.27 | 139.31 | 3,043.0 | -310.0 | 212.1 | -293.9 | 0.00 | 0.00 | 0.00 |
| 4,000.0 | 16.27 | 139.51 | 3,941.6 | -340.1 | 290.3 | -313.6 | 0.00 | 0.00 | 0.00 |
| | 16.27 | 139.51 | 4,037.6 | -361.4 | 308.5 | -333.2 | 0.00 | 0.00 | 0.00 |

Planning Report



Database: EDM 5000.16 Single User Db Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Grayling 14 Fed Com Pad 3
Well: Grayling 14 Fed Com 206H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

| ned 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) |
| 4,200.0 | 16.27 | 139.51 | 4,133.6 | -382.7 | 326.7 | -352.9 | 0.00 | 0.00 | 0.00 |
| 4,300.0 | 16.27 | 139.51 | 4,229.6 | -404.0 | 344.9 | -372.5 | 0.00 | 0.00 | 0.00 |
| 4,400.0 | 16.27 | 139.51 | 4,325.6 | -425.3 | 363.1 | -392.1 | 0.00 | 0.00 | 0.00 |
| 4,500.0 | 16.27 | 139.51 | 4,421.6 | -446.6 | 381.3 | -411.8 | 0.00 | 0.00 | 0.00 |
| 4,600.0 | 16.27 | 139.51 | 4,517.6 | -467.9 | 399.5 | -431.4 | 0.00 | 0.00 | 0.00 |
| 4,700.0 | 16.27 | 139.51 | 4,613.6 | -489.2 | 417.6 | -451.1 | 0.00 | 0.00 | 0.00 |
| 4,800.0 | 16.27 | 139.51 | 4,709.6 | -510.5 | 435.8 | -470.7 | 0.00 | 0.00 | 0.00 |
| 4,900.0 | 16.27 | 139.51 | 4,805.6 | -531.8 | 454.0 | -490.4 | 0.00 | 0.00 | 0.00 |
| 5,000.0 | 16.27 | 139.51 | 4,901.6 | -553.1 | 472.2 | -510.0 | 0.00 | 0.00 | 0.00 |
| 5,100.0 | 16.27 | 139.51 | 4,997.5 | -574.4 | 490.4 | -529.7 | 0.00 | 0.00 | 0.00 |
| 5,200.0 | 16.27 | 139.51 | 5,093.5 | -595.8 | 508.6 | -549.3 | 0.00 | 0.00 | 0.00 |
| 5,300.0 | 16.27 | 139.51 | 5,189.5 | -617.1 | 526.8 | -569.0 | 0.00 | 0.00 | 0.00 |
| 5,400.0 | 16.27 | 139.51 | 5,285.5 | -638.4 | 545.0 | -588.6 | 0.00 | 0.00 | 0.00 |
| 5,500.0 | 16.27 | 139.51 | 5,381.5 | -659.7 | 563.2 | -608.3 | 0.00 | 0.00 | 0.00 |
| 5,600.0 | 16.27 | 139.51 | 5,477.5 | -681.0 | 581.4 | -627.9 | 0.00 | 0.00 | 0.00 |
| 5,700.0 | 16.27 | 139.51 | 5,573.5 | -702.3 | 599.5 | -647.6 | 0.00 | 0.00 | 0.00 |
| 5,800.0 | 16.27 | 139.51 | 5,669.5 | -723.6 | 617.7 | -667.2 | 0.00 | 0.00 | 0.00 |
| 5,900.0 | 16.27 | 139.51 | 5,765.5 | -744.9 | 635.9 | -686.8 | 0.00 | 0.00 | 0.00 |
| 6,000.0 | 16.27 | 139.51 | 5,861.5 | -766.2 | 654.1 | -706.5 | 0.00 | 0.00 | 0.00 |
| 6,014.1 | 16.27 | 139.51 | 5,875.0 | -769.2 | 656.7 | -709.3 | 0.00 | 0.00 | 0.00 |
| Cherry Can | | | | | | | | | |
| 6,100.0 | 16.27 | 139.51 | 5,957.5 | -787.5 | 672.3 | -726.1 | 0.00 | 0.00 | 0.00 |
| 6,200.0 | 16.27 | 139.51 | 6,053.5 | -808.8 | 690.5 | -745.8 | 0.00 | 0.00 | 0.00 |
| 6,300.0 | 16.27 | 139.51 | 6,149.5 | -830.1 | 708.7 | -765.4 | 0.00 | 0.00 | 0.00 |
| 6,400.0 | 16.27 | 139.51 | 6,245.5 | -851.4 | 726.9 | -785.1 | 0.00 | 0.00 | 0.00 |
| 6,500.0 | 16.27 | 139.51 | 6,341.5 | -872.7 | 745.1 | -804.7 | 0.00 | 0.00 | 0.00 |
| 6,600.0 | 16.27 | 139.51 | 6,437.5 | -894.1 | 763.3 | -824.4 | 0.00 | 0.00 | 0.00 |
| 6,620.3 | 16.27 | 139.51 | 6,457.0 | -898.4 | 767.0 | -828.4 | 0.00 | 0.00 | 0.00 |
| Brushy Can | iyon | | | | | | | | |
| 6,700.0 | 16.27 | 139.51 | 6,533.5 | -915.4 | 781.4 | -844.0 | 0.00 | 0.00 | 0.00 |
| 6,800.0 | 16.27 | 139.51 | 6,629.5 | -936.7 | 799.6 | -863.7 | 0.00 | 0.00 | 0.00 |
| 6,870.8 | 16.27 | 139.51 | 6,697.4 | -951.7 | 812.5 | -877.6 | 0.00 | 0.00 | 0.00 |
| Start Drop - | | | | | | | | | |
| 6,900.0 | 15.69 | 139.51 | 6,725.5 | -957.9 | 817.7 | -883.2 | 2.00 | -2.00 | 0.00 |
| 7,000.0 | 13.69 | 139.51 | 6,822.2 | -977.1 | 834.2 | -901.0 | 2.00 | -2.00 | 0.00 |
| 7,100.0 | 11.69 | 139.51 | 6,919.8 | -993.8 | 848.5 | -916.4 | 2.00 | -2.00 | 0.00 |
| 7,200.0 | 9.69 | 139.51 | 7,018.0 | -1,007.9 | 860.5 | -929.4 | 2.00 | -2.00 | 0.00 |
| 7,300.0 | 7.69 | 139.51 | 7,116.9 | -1,019.4 | 870.3 | -940.0 | 2.00 | -2.00 | 0.00 |
| 7,400.0 | 5.69 | 139.51 | 7,216.2 | -1,028.3 | 877.9 | -948.1 | 2.00 | -2.00 | 0.00 |
| 7,500.0 | 3.69 | 139.51 | 7,315.9 | -1,034.5 | 883.2 | -953.9 | 2.00 | -2.00 | 0.00 |
| 7,600.0 | 1.69 | 139.51 | 7,415.8 | -1,038.1 | 886.2 | -957.2 | 2.00 | -2.00 | 0.00 |
| 7,684.3 | 0.00 | 0.00 | 7,500.0 | -1,039.0 | 887.0 | -958.0 | 2.00 | -2.00 | 0.00 |
| Start 172.5 | hold at 7684.3 MI | | | | | | | | |
| 7,700.0 | 0.00 | 0.00 | 7,515.7 | -1,039.0 | 887.0 | -958.0 | 0.00 | 0.00 | 0.00 |
| 7,800.0 | 0.00 | 0.00 | 7,615.7 | -1,039.0 | 887.0 | -958.0 | 0.00 | 0.00 | 0.00 |
| 7,856.8 | 0.00 | 0.00 | 7,672.5 | -1,039.0 | 887.0 | -958.0 | 0.00 | 0.00 | 0.00 |
| | art Build 12.00 | | | | | | | | |
| 7,900.0 | 5.19 | 359.62 | 7,715.7 | -1,037.0 | 887.0 | -956.1 | 12.00 | 12.00 | 0.00 |
| 8,000.0 | 17.19 | 359.62 | 7,813.6 | -1,017.7 | 886.9 | -936.8 | 12.00 | 12.00 | 0.00 |
| 8,100.0 | 29.19 | 359.62 | 7,905.4 | -978.4 | 886.6 | -897.7 | 12.00 | 12.00 | 0.00 |
| 8,200.0 | 41.19 | 359.62 | 7,986.9 | -920.9 | 886.2 | -840.4 | 12.00 | 12.00 | 0.00 |
| 8,261.3 | 48.54 | 359.62 | 8,030.3 | -877.7 | 885.9 | -797.4 | 12.00 | 12.00 | 0.00 |

Planning Report



Database: EDM 5000.16 Single User Db Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Grayling 14 Fed Com Pad 3
Well: Grayling 14 Fed Com 206H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method:

| nned Survey | | | | | | | | | |
|-------------|------------------|---------|----------|---------|--------|----------|-------------|-------------|-------------|
| | | | | | | | | | |
| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
| Depth | Inclination | Azimuth | Depth | +N/-S | +E/-W | Section | Rate | Rate | Rate |
| (usft) | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (°/100usft) | (°/100usft) | (°/100usft) |
| 0.200.0 | | | 0.054.0 | | | 707.5 | 40.00 | 40.00 | 0.00 |
| 8,300.0 | 53.19 | 359.62 | 8,054.8 | -847.6 | 885.7 | -767.5 | 12.00 | 12.00 | 0.00 |
| 8,400.0 | 65.19 | 359.62 | 8,105.9 | -761.9 | 885.2 | -682.2 | 12.00 | 12.00 | 0.00 |
| 8,500.0 | 77.19 | 359.62 | 8,138.1 | -667.4 | 884.5 | -588.1 | 12.00 | 12.00 | 0.00 |
| 8,600.0 | 89.19 | 359.62 | 8,150.0 | -568.3 | 883.9 | -489.4 | 12.00 | 12.00 | 0.00 |
| 8,606.8 | 90.00 | 359.62 | 8,150.0 | -561.5 | 883.8 | -482.7 | 12.00 | 12.00 | 0.00 |
| | 39.0 hold at 860 | | 0,100.0 | -001.0 | 000.0 | -402.1 | 12.00 | 12.00 | 0.00 |
| 8,700.0 | 90.00 | 359.62 | 8,150.0 | -468.3 | 883.2 | -389.8 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 8,800.0 | 90.00 | 359.62 | 8,150.0 | -368.3 | 882.5 | -290.3 | 0.00 | 0.00 | 0.00 |
| 8,900.0 | 90.00 | 359.62 | 8,150.0 | -268.3 | 881.9 | -190.7 | 0.00 | 0.00 | 0.00 |
| 9,000.0 | 90.00 | 359.62 | 8,150.0 | -168.3 | 881.2 | -91.2 | 0.00 | 0.00 | 0.00 |
| 9,100.0 | 90.00 | 359.62 | 8,150.0 | -68.3 | 880.5 | 8.4 | 0.00 | 0.00 | 0.00 |
| 9,200.0 | 90.00 | 359.62 | 8,150.0 | 31.7 | 879.9 | 108.0 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 9,300.0 | 90.00 | 359.62 | 8,150.0 | 131.7 | 879.2 | 207.5 | 0.00 | 0.00 | 0.00 |
| 9,400.0 | 90.00 | 359.62 | 8,150.0 | 231.6 | 878.5 | 307.1 | 0.00 | 0.00 | 0.00 |
| 9,500.0 | 90.00 | 359.62 | 8,150.0 | 331.6 | 877.9 | 406.6 | 0.00 | 0.00 | 0.00 |
| 9,600.0 | 90.00 | 359.62 | 8,150.0 | 431.6 | 877.2 | 506.2 | 0.00 | 0.00 | 0.00 |
| 9,700.0 | 90.00 | 359.62 | 8,150.0 | 531.6 | 876.5 | 605.8 | 0.00 | 0.00 | 0.00 |
| | 90.00 | | | | | | | 0.00 | 0.00 |
| 9,800.0 | | 359.62 | 8,150.0 | 631.6 | 875.9 | 705.3 | 0.00 | | |
| 9,900.0 | 90.00 | 359.62 | 8,150.0 | 731.6 | 875.2 | 804.9 | 0.00 | 0.00 | 0.00 |
| 10,000.0 | 90.00 | 359.62 | 8,150.0 | 831.6 | 874.5 | 904.5 | 0.00 | 0.00 | 0.00 |
| 10,100.0 | 90.00 | 359.62 | 8,150.0 | 931.6 | 873.9 | 1,004.0 | 0.00 | 0.00 | 0.00 |
| 10,200.0 | 90.00 | 359.62 | 8,150.0 | 1,031.6 | 873.2 | 1,103.6 | 0.00 | 0.00 | 0.00 |
| 10,300.0 | 90.00 | 359.62 | 8,150.0 | 1,131.6 | 872.5 | 1,203.1 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 10,400.0 | 90.00 | 359.62 | 8,150.0 | 1,231.6 | 871.9 | 1,302.7 | 0.00 | 0.00 | 0.00 |
| 10,500.0 | 90.00 | 359.62 | 8,150.0 | 1,331.6 | 871.2 | 1,402.3 | 0.00 | 0.00 | 0.00 |
| 10,600.0 | 90.00 | 359.62 | 8,150.0 | 1,431.6 | 870.6 | 1,501.8 | 0.00 | 0.00 | 0.00 |
| 10,700.0 | 90.00 | 359.62 | 8,150.0 | 1,531.6 | 869.9 | 1,601.4 | 0.00 | 0.00 | 0.00 |
| 10,800.0 | 90.00 | 359.62 | 8,150.0 | 1,631.6 | 869.2 | 1,701.0 | 0.00 | 0.00 | 0.00 |
| 10,900.0 | 90.00 | 359.62 | 8,150.0 | 1,731.6 | 868.6 | 1,800.5 | 0.00 | 0.00 | 0.00 |
| 11,000.0 | 90.00 | 359.62 | 8,150.0 | 1,831.6 | 867.9 | 1,900.1 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 11,100.0 | 90.00 | 359.62 | 8,150.0 | 1,931.6 | 867.2 | 1,999.6 | 0.00 | 0.00 | 0.00 |
| 11,200.0 | 90.00 | 359.62 | 8,150.0 | 2,031.6 | 866.6 | 2,099.2 | 0.00 | 0.00 | 0.00 |
| 11,300.0 | 90.00 | 359.62 | 8,150.0 | 2,131.6 | 865.9 | 2,198.8 | 0.00 | 0.00 | 0.00 |
| 11,400.0 | 90.00 | 359.62 | 8,150.0 | 2,231.6 | 865.2 | 2,298.3 | 0.00 | 0.00 | 0.00 |
| 11,500.0 | 90.00 | 359.62 | 8,150.0 | 2,331.6 | 864.6 | 2,397.9 | 0.00 | 0.00 | 0.00 |
| | | | 8,150.0 | , | | | | | |
| 11,600.0 | 90.00 | 359.62 | , | 2,431.6 | 863.9 | 2,497.4 | 0.00 | 0.00 | 0.00 |
| 11,700.0 | 90.00 | 359.62 | 8,150.0 | 2,531.6 | 863.2 | 2,597.0 | 0.00 | 0.00 | 0.00 |
| 11,800.0 | 90.00 | 359.62 | 8,150.0 | 2,631.6 | 862.6 | 2,696.6 | 0.00 | 0.00 | 0.00 |
| 11,900.0 | 90.00 | 359.62 | 8,150.0 | 2,731.6 | 861.9 | 2,796.1 | 0.00 | 0.00 | 0.00 |
| 12,000.0 | 90.00 | 359.62 | 8,150.0 | 2,831.6 | 861.2 | 2,895.7 | 0.00 | 0.00 | 0.00 |
| 12,100.0 | 90.00 | 359.62 | 8,150.0 | 2,931.6 | 860.6 | 2,995.3 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 12,200.0 | 90.00 | 359.62 | 8,150.0 | 3,031.6 | 859.9 | 3,094.8 | 0.00 | 0.00 | 0.00 |
| 12,300.0 | 90.00 | 359.62 | 8,150.0 | 3,131.6 | 859.2 | 3,194.4 | 0.00 | 0.00 | 0.00 |
| 12,400.0 | 90.00 | 359.62 | 8,150.0 | 3,231.6 | 858.6 | 3,293.9 | 0.00 | 0.00 | 0.00 |
| 12,500.0 | 90.00 | 359.62 | 8,150.0 | 3,331.6 | 857.9 | 3,393.5 | 0.00 | 0.00 | 0.00 |
| 12,600.0 | 90.00 | 359.62 | 8,150.0 | 3,431.6 | 857.2 | 3,493.1 | 0.00 | 0.00 | 0.00 |
| 12,700.0 | 90.00 | 359.62 | 8,150.0 | 3,531.6 | 856.6 | 3,592.6 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 12,800.0 | 90.00 | 359.62 | 8,150.0 | 3,631.6 | 855.9 | 3,692.2 | 0.00 | 0.00 | 0.00 |
| 12,900.0 | 90.00 | 359.62 | 8,150.0 | 3,731.6 | 855.2 | 3,791.8 | 0.00 | 0.00 | 0.00 |
| 13,000.0 | 90.00 | 359.62 | 8,150.0 | 3,831.6 | 854.6 | 3,891.3 | 0.00 | 0.00 | 0.00 |
| 13,100.0 | 90.00 | 359.62 | 8,150.0 | 3,931.6 | 853.9 | 3,990.9 | 0.00 | 0.00 | 0.00 |
| 13,200.0 | 90.00 | 359.62 | 8,150.0 | 4,031.6 | 853.2 | 4,090.4 | 0.00 | 0.00 | 0.00 |
| 13,200.0 | 90.00 | 338.02 | 0,100.0 | 4,031.0 | 003.2 | 4,090.4 | 0.00 | 0.00 | 0.00 |
| 13,300.0 | 90.00 | 359.62 | 8,150.0 | 4,131.6 | 852.6 | 4,190.0 | 0.00 | 0.00 | 0.00 |

Planning Report



Database: EDM 5000.16 Single User Db Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Grayling 14 Fed Com Pad 3
Well: Grayling 14 Fed Com 206H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method:

| esigii. | FIAIT U. I | | | | | | | | |
|-----------------------------|-----------------|------------------|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 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) |
| 13,400.0 | 90.00 | 359.62 | 8,150.0 | 4,231.6 | 851.9 | 4,289.6 | 0.00 | 0.00 | 0.00 |
| 13,500.0 | 90.00 | 359.62 | 8,150.0 | 4,331.6 | 851.2 | 4,389.1 | 0.00 | 0.00 | 0.00 |
| 13,600.0 | 90.00 | 359.62 | 8,150.0 | 4,431.6 | 850.6 | 4,488.7 | 0.00 | 0.00 | 0.00 |
| 13,700.0 | 90.00 | 359.62 | 8,150.0 | 4,531.6 | 849.9 | 4,588.3 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 13,800.0 | 90.00 | 359.62 | 8,150.0 | 4,631.6 | 849.3 | 4,687.8 | 0.00 | 0.00 | 0.00 |
| 13,900.0 | 90.00 | 359.62 | 8,150.0 | 4,731.5 | 848.6 | 4,787.4 | 0.00 | 0.00 | 0.00 |
| 14,000.0 | 90.00 | 359.62 | 8,150.0 | 4,831.5 | 847.9 | 4,886.9 | 0.00 | 0.00 | 0.00 |
| 14,100.0 | 90.00 | 359.62 | 8,150.0 | 4,931.5 | 847.3 | 4,986.5 | 0.00 | 0.00 | 0.00 |
| 14,200.0 | 90.00 | 359.62 | 8,150.0 | 5,031.5 | 846.6 | 5,086.1 | 0.00 | 0.00 | 0.00 |
| 14,300.0 | 90.00 | 359.62 | 8,150.0 | 5,131.5 | 845.9 | 5,185.6 | 0.00 | 0.00 | 0.00 |
| 14,400.0 | 90.00 | 359.62 | 8,150.0 | 5,231.5 | 845.3 | 5,285.2 | 0.00 | 0.00 | 0.00 |
| | 90.00 | 359.62 | | 5,331.5 | 844.6 | 5,384.7 | 0.00 | 0.00 | 0.00 |
| 14,500.0 | | | 8,150.0 | | | | | | |
| 14,600.0 | 90.00 | 359.62 | 8,150.0 | 5,431.5 | 843.9 | 5,484.3 | 0.00 | 0.00 | 0.00 |
| 14,700.0 | 90.00 | 359.62 | 8,150.0 | 5,531.5 | 843.3 | 5,583.9 | 0.00 | 0.00 | 0.00 |
| 14,800.0 | 90.00 | 359.62 | 8,150.0 | 5,631.5 | 842.6 | 5,683.4 | 0.00 | 0.00 | 0.00 |
| 14,900.0 | 90.00 | 359.62 | 8,150.0 | 5,731.5 | 841.9 | 5,783.0 | 0.00 | 0.00 | 0.00 |
| 15,000.0 | 90.00 | 359.62 | 8,150.0 | 5,831.5 | 841.3 | 5,882.6 | 0.00 | 0.00 | 0.00 |
| 15,100.0 | 90.00 | 359.62 | 8,150.0 | 5,931.5 | 840.6 | 5,982.1 | 0.00 | 0.00 | 0.00 |
| 15,200.0 | 90.00 | 359.62 | 8,150.0 | 6,031.5 | 839.9 | 6,081.7 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 15,300.0 | 90.00 | 359.62 | 8,150.0 | 6,131.5 | 839.3 | 6,181.2 | 0.00 | 0.00 | 0.00 |
| 15,400.0 | 90.00 | 359.62 | 8,150.0 | 6,231.5 | 838.6 | 6,280.8 | 0.00 | 0.00 | 0.00 |
| 15,500.0 | 90.00 | 359.62 | 8,150.0 | 6,331.5 | 837.9 | 6,380.4 | 0.00 | 0.00 | 0.00 |
| 15,600.0 | 90.00 | 359.62 | 8,150.0 | 6,431.5 | 837.3 | 6,479.9 | 0.00 | 0.00 | 0.00 |
| 15,700.0 | 90.00 | 359.62 | 8,150.0 | 6,531.5 | 836.6 | 6,579.5 | 0.00 | 0.00 | 0.00 |
| 15,800.0 | 90.00 | 359.62 | 8,150.0 | 6,631.5 | 835.9 | 6,679.1 | 0.00 | 0.00 | 0.00 |
| 15,900.0 | 90.00 | 359.62 | 8,150.0 | 6,731.5 | 835.3 | 6,778.6 | 0.00 | 0.00 | 0.00 |
| 16,000.0 | 90.00 | 359.62 | 8,150.0 | 6,831.5 | 834.6 | 6,878.2 | 0.00 | 0.00 | 0.00 |
| 16,100.0 | 90.00 | 359.62 | 8,150.0 | 6,931.5 | 833.9 | 6,977.7 | 0.00 | 0.00 | 0.00 |
| 16,200.0 | 90.00 | 359.62 | 8,150.0 | 7,031.5 | 833.3 | 7,077.3 | 0.00 | 0.00 | 0.00 |
| 10,200.0 | | | | 7,031.3 | | 7,077.5 | | | |
| 16,300.0 | 90.00 | 359.62 | 8,150.0 | 7,131.5 | 832.6 | 7,176.9 | 0.00 | 0.00 | 0.00 |
| 16,400.0 | 90.00 | 359.62 | 8,150.0 | 7,231.5 | 831.9 | 7,276.4 | 0.00 | 0.00 | 0.00 |
| 16,500.0 | 90.00 | 359.62 | 8,150.0 | 7,331.5 | 831.3 | 7,376.0 | 0.00 | 0.00 | 0.00 |
| 16,600.0 | 90.00 | 359.62 | 8,150.0 | 7,431.5 | 830.6 | 7,475.5 | 0.00 | 0.00 | 0.00 |
| 16,700.0 | 90.00 | 359.62 | 8,150.0 | 7,531.5 | 829.9 | 7,575.1 | 0.00 | 0.00 | 0.00 |
| 16 000 0 | 00.00 | 250.60 | 0 150 0 | 7 624 5 | | 76747 | | | 0.00 |
| 16,800.0 | 90.00 | 359.62 | 8,150.0 | 7,631.5 | 829.3 | 7,674.7 | 0.00 | 0.00 | 0.00 |
| 16,900.0 | 90.00 | 359.62 | 8,150.0 | 7,731.5 | 828.6 | 7,774.2 | 0.00 | 0.00 | 0.00 |
| 17,000.0 | 90.00 | 359.62 | 8,150.0 | 7,831.5 | 827.9 | 7,873.8 | 0.00 | 0.00 | 0.00 |
| 17,100.0 | 90.00 | 359.62 | 8,150.0 | 7,931.5 | 827.3 | 7,973.4 | 0.00 | 0.00 | 0.00 |
| 17,200.0 | 90.00 | 359.62 | 8,150.0 | 8,031.5 | 826.6 | 8,072.9 | 0.00 | 0.00 | 0.00 |
| 17,300.0 | 90.00 | 359.62 | 8,150.0 | 8,131.5 | 826.0 | 8,172.5 | 0.00 | 0.00 | 0.00 |
| 17,400.0 | 90.00 | 359.62 | 8,150.0 | 8,231.5 | 825.3 | 8,272.0 | 0.00 | 0.00 | 0.00 |
| 17,500.0 | 90.00 | 359.62 | 8,150.0 | 8,331.5 | 824.6 | 8,371.6 | 0.00 | 0.00 | 0.00 |
| 17,600.0 | 90.00 | 359.62 | 8,150.0 | 8,431.5 | 824.0 | 8,471.2 | 0.00 | 0.00 | 0.00 |
| 17,700.0 | 90.00 | 359.62 | 8,150.0 | 8,531.5 | 823.3 | 8,570.7 | 0.00 | 0.00 | 0.00 |
| ŕ | | | | | | | | | |
| 17,800.0 | 90.00 | 359.62 | 8,150.0 | 8,631.5 | 822.6 | 8,670.3 | 0.00 | 0.00 | 0.00 |
| 17,900.0 | 90.00 | 359.62 | 8,150.0 | 8,731.5 | 822.0 | 8,769.9 | 0.00 | 0.00 | 0.00 |
| 18,000.0 | 90.00 | 359.62 | 8,150.0 | 8,831.5 | 821.3 | 8,869.4 | 0.00 | 0.00 | 0.00 |
| 18,100.0 | 90.00 | 359.62 | 8,150.0 | 8,931.5 | 820.6 | 8,969.0 | 0.00 | 0.00 | 0.00 |
| 18,200.0 | 90.00 | 359.62 | 8,150.0 | 9,031.5 | 820.0 | 9,068.5 | 0.00 | 0.00 | 0.00 |
| 18,300.0 | 90.00 | 359.62 | 8,150.0 | 9,131.5 | 819.3 | 9,168.1 | 0.00 | 0.00 | 0.00 |
| 18,400.0 | 90.00 | 359.62 | 8,150.0 | 9,131.5 | 818.6 | 9,166.1 | 0.00 | 0.00 | 0.00 |
| 18,400.0 | | 359.62 359.62 | | | | 9,267.7 | 0.00 | 0.00 | 0.00 |
| 10.000.0 | 90.00 | | 8,150.0 | 9,331.4 | 818.0 | y,301.2 | 0.00 | 0.00 | 0.00 |
| 18,545.7 | 90.00 | 359.62 | 8,150.0 | 9,377.2 | 817.7 | 9,412.8 | 0.00 | 0.00 | 0.00 |

Planning Report



Database: EDM 5000.16 Single User Db Company: Avant Operating, LLC
Project: Lea Co., NM (NAD 83)
Site: Grayling 14 Fed Com Pad 3
Well: Grayling 14 Fed Com 206H

Wellbore: OH
Design: Plan 0.1

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

| Planned Survey | | | | | | | | | | |
|----------------|-------------|---------|----------|--------|--------|----------|-------------|-------------|-------------|--|
| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn | |
| Depth | Inclination | Azimuth | Depth | +N/-S | +E/-W | Section | Rate | Rate | Rate | |
| (usft) | (°) | (°) | (usft) | (usft) | (usft) | (usft) | (°/100usft) | (°/100usft) | (°/100usft) | |

| 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 |
| Grayling 14 Fed Com 20 - plan hits target cent - Point | 0.00 ter | 0.00 | 8,150.0 | 9,377.2 | 817.7 | 612,318.04 | 727,142.84 | 32.6818530°N | 103.7294310°W |
| Grayling 14 Fed Com 20 - plan misses target of - Point | 0.00 center by 163 | 0.00 .4usft at 826 | 8,150.0 1.3usft MD (| -988.5 8030.3 TVD, - | 895.4 877.7 N, 885.9 | 601,952.32 9 E) | 727,220.59 | 32.6533610°N | 103.7293700°W |

| ormations | | | | | | | |
|-----------|-----------------------------|-----------------------------|---------------|-----------|------------|-------------------------|--|
| | Measured Depth (usft) | Vertical Depth (usft) | Name | Lithology | Dip (°) | Dip Direction (°) | |
| | 1,127.0 | 1,127.0 | Rustler | | | | |
| | 1,430.0 | 1,430.0 | Solado | | | | |
| | 2,810.8 | 2,800.0 | Yates | | | | |
| | 3,592.1 | 3,550.0 | Capitan Reef | | | | |
| | 6,014.1 | 5,875.0 | Cherry Canyon | | | | |
| | 6,620.3 | 6,457.0 | Brushy Canyon | | | | |
| | 7,684.3 | 7,500.0 | Bone Spring | | | | |

| Plan Annotations | | | | |
|------------------|-----------------|-----------------|-----------------|-------------------------------------|
| Measured | Vertical | Local Coor | dinates | |
| Depth (usft) | Depth (usft) | +N/-S (usft) | +E/-W (usft) | Comment |
| 2.000.0 | 2.000.0 | 0.0 | 0.0 | KOP - Start Build 2.00 |
| 2,813.5 | 2,802.6 | -87.3 | 74.5 | Start 4057.3 hold at 2813.5 MD |
| 6,870.8 | 6,697.4 | -951.7 | 812.5 | Start Drop -2.00 |
| 7,684.3 | 7,500.0 | -1,039.0 | 887.0 | Start 172.5 hold at 7684.3 MD |
| 7,856.8 | 7,672.5 | -1,039.0 | 887.0 | KOP #2 - Start Build 12.00 |
| 8,606.8 | 8,150.0 | -561.5 | 883.8 | LP - Start 9939.0 hold at 8606.8 MD |
| 18,545.7 | 8,150.0 | 9,377.2 | 817.7 | TD at 18545.7 |

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Avant Operating LLC

LEASE NO.: NMNM025497

LOCATION: Section 14, T.19 S., R.32 E., NMPM COUNTY: Lea County, New Mexico

WELL NAME & NO.: Grayling 14 Fed Com 201H

BOTTOM HOLE FOOTAGE | 100'/N & 330'/W ATS/API ID: ATS-24-995

APD ID: 10400097547

Sundry ID: N/a
Date APD Submitted: N/a

WELL NAME & NO.: Grayling 14 Fed Com 202H

BOTTOM HOLE FOOTAGE | 100'/N & 1254'/W

ATS/API ID: ATS-24-1300 APD ID: 10400097802

Sundry ID: N/a

Date APD Submitted: N/a

WELL NAME & NO.: Grayling 14 Fed Com 204H

BOTTOM HOLE FOOTAGE | 100'/N & 2178'/E

ATS/API ID: ATS-24-835 APD ID: 10400096908

Sundry ID: | N/a

Date APD Submitted: N/a

WELL NAME & NO.: | Grayling 14 Fed Com 205H

BOTTOM HOLE FOOTAGE | 100'/N & 1254'/E

ATS/API ID: ATS-24-836

APD ID: | 10400096950

Sundry ID: N/a
Date APD Submitted: N/a

WELL NAME & NO.: Grayling 14 Fed Com 206H

BOTTOM HOLE FOOTAGE | 100'/N & 330'/E

ATS/API ID: ATS-24-837 APD ID: 10400096951

Sundry ID: N/a
Date APD Submitted: N/a

WELL NAME & NO.: **Grayling 14 Fed Com 304H**

BOTTOM HOLE FOOTAGE 100'/N & 2178'/E

> ATS/API ID: ATS-24-838

APD ID: 10400096954

Sundry ID: N/a

Date APD Submitted: N/a

WELL NAME & NO.: **Grayling 14 Fed Com 305H**

BOTTOM HOLE FOOTAGE 100'/N & 1254'/E

> ATS-24-839 ATS/API ID: APD ID: 10400096955

Sundry ID: N/a

Date APD Submitted: N/a

Grayling 14 Fed Com 306H WELL NAME & NO.:

100'/N & 330'/E **BOTTOM HOLE FOOTAGE**

> ATS/API ID: ATS-24-840

10400096956 APD ID:

Sundry ID: N/a **Date APD Submitted:** N/a

WELL NAME & NO.: **Grayling 14 Fed Com 504H**

100'/N & 2178'/E **BOTTOM HOLE FOOTAGE**

> **ATS/API ID:** ATS-24-841

APD ID: 10400096962

Sundry ID: N/a **Date APD Submitted:** N/a

WELL NAME & NO.: **Grayling 14 Fed Com 505H**

BOTTOM HOLE FOOTAGE 100'/N & 1254'/E

ATS/API ID: ATS-24-842

APD ID: 10400096963

Sundry ID: N/a

Date APD Submitted: N/a COA

| H2S | Yes ▼ | | |
|--------------|---------------------------|------------------|----------------|
| Potash | None | | |
| Cave/Karst | Low | | |
| Potential | | | |
| Cave/Karst | ☐ Critical | | |
| Potential | | | |
| Variance | ■ None | Flex Hose | C Other |
| Wellhead | Conventional and Multibow | /I <u> </u> | |
| Other | □4 String | Capitan Reef | □WIPP |
| | | Int 1 | |
| | | | |
| Other | Pilot Hole | ☐ Open Annulus | |
| | None 🔻 | | |
| Cementing | Contingency Squeeze | Echo-Meter | Primary Cement |
| | None ▼ | None - | Squeeze |
| | | | None - |
| Special | □ Water | ▼ COM | Unit Unit |
| Requirements | Disposal/Injection | | |
| Special | ☐ Batch Sundry | Waste Prevention | |
| Requirements | | None ▼ | |
| Special | ☐ Break Testing | ☐ Offline | ☐ Casing |
| Requirements | | Cementing | Clearance |
| Variance | | | |

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Bone Springs** formation. As a result, the Hydrogen Sulfide area must meet **43 CFR part 3170 Subpart 3176** requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

- 1. The 13-3/8 inch surface casing shall be set at approximately 1220 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt when present, and below usable fresh water) and cemented to the surface. The surface hole shall be 17 1/2 inch in diameter.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef.
 - ❖ Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.

- Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.
- ❖ In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 50 feet on top of Capitan Reef top or 200 into the previous casing, whichever is greater. Operator shall provide method of verification.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef. Cement excess is less than 25%, more cement is required if washout occurs. Adjust cement volume and excess based on a fluid caliper or similar method that reflects the as-drilled size of the wellbore.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8 inch intermediate casing shoe shall be 5000 (5M) psi.

Option 2:

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the 13-3/8 inch surface casing. Minimum working

pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR part 3170 Subpart 3171
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

✓ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 689-5981

- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per **43** CFR part **3170** Subpart **3172** as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends of both lead and tail cement, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.
- B. PRESSURE CONTROL
- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in 43 CFR part 3170 Subpart 3172 and API STD 53 Sec. 5.3.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke

manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be

- initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to 43 CFR part 3170 Subpart 3172 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for 8 hours or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per 43 CFR part 3170 Subpart 3172.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and

disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Long Vo (LVO) 6/25/2024

Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:
 - Well control equipment
 - a. Flare line 150' from wellhead to be ignited by flare gun.
 - b. Choke manifold with a remotely operated choke.
 - c. Mud/gas separator
 - Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escape packs —4 packs shall be stored on the rig floor th sufficient air hose not to restrict work activity.
- Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8 inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher
- H2S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.
 - a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
 - b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
 - c. Two wind socks will be placed in strategic locations, visible from all angles.



■ Mud program:

The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

■ Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

■ Communication:

Communication will be via cell phones and land lines where available.

Company Personnel to be Notified

| JUHIT HAIDUL VICE I ICHUCHL OF ACOMETICE OF THE OFFICE OF THE JUH | John Harper | . Vice President of Geoscience | Office: (720) 746-504 |
|---|-------------|--------------------------------|-----------------------|
|---|-------------|--------------------------------|-----------------------|

Mobile: (678) 988-6644

Braden Harris, Engineer Mobile: (406) 600-3310

Local & County Agencies

| Maljamar Volunter Fire Department | 911 or (| (575) |) 676-4100 |
|-----------------------------------|----------|-------|------------|
|-----------------------------------|----------|-------|------------|

Lea County Sheriff (Lovington) 911 or (575) 396-3611

Lea County Emergency Management (Lovington) (575) 396-8602 Lea Regional Medical Center Hopital (Hobbs) (575) 492-5000

State Agencies

| (575) 392-5588 |
|----------------|
| (575) 370-3186 |
| (505) 476-3440 |
| (575) 637-7201 |
| |



Federal Agencies

| BLM (Carlsbad) | (575) 234-5972 |
|--------------------------|----------------|
| BLM (Hobbs) | (575) 393-3612 |
| National Response Center | (800) 424-8802 |
| US EPA Region 6 (Dallas) | (800) 887-6063 |
| - | (214) 665-6444 |

Veterinarians

| Lovington Veterinary Clinic | (575) 396-7387 |
|----------------------------------|----------------|
| Hobbs Animal Clinic | (575) 392-5563 |
| Dal Paso Animal Hospital (Hobbs) | (575) 397-2286 |

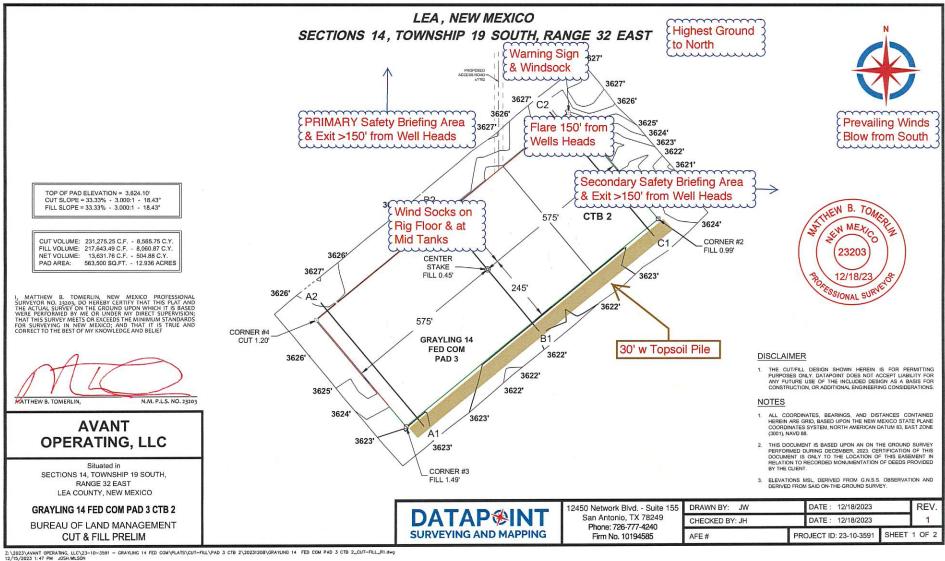
Residents within 2 miles

None

Air Evacuation

| AeroCare (Lubbock) | (800) 627-2376 |
|--|----------------|
| Med Flight Air Ambulance (Albuquerque) | (800) 842-4431 |
| Lifequard (Albuquerque) | (888) 866-7256 |



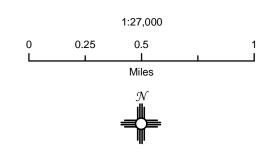


Avant Operating, LLC

Grayling 14 Fed Com Pad 3 H2S Contingency Plan: Radius Map

Section 14, Township 19S, Range 32E Lea County, New Mexico

Pad Center

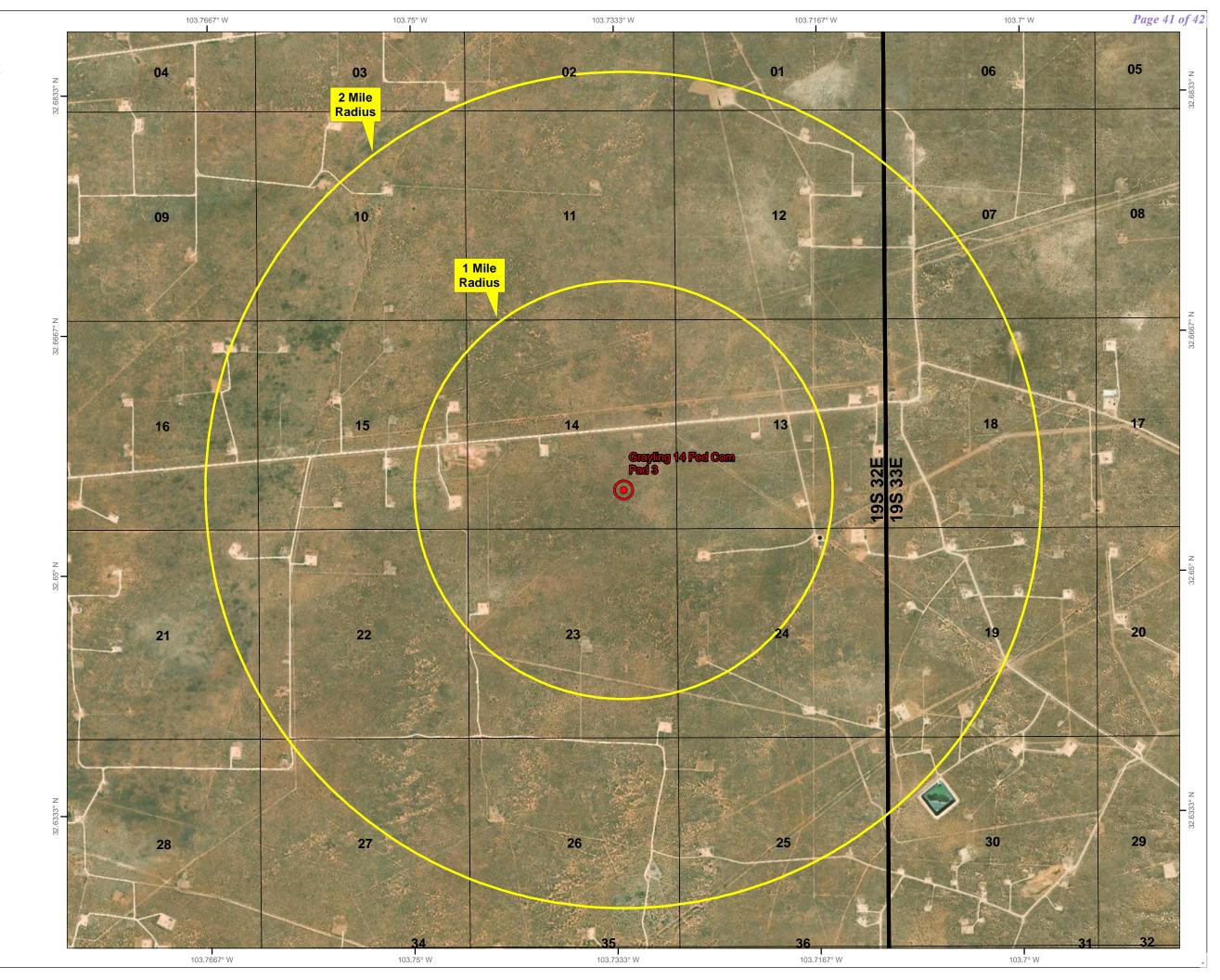


NAD 1983 New Mexico State Plane East FIPS 3001 Feet



Prepared by Permits West, Inc., December 20, 2023 for Avant Operating, LLC





Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 413968

CONDITIONS

| Operator: | OGRID: |
|----------------------|---|
| Avant Operating, LLC | 330396 |
| 1515 Wynkoop Street | Action Number: |
| Denver, CO 80202 | 413968 |
| | Action Type: |
| | [C-101] BLM - Federal/Indian Land Lease (Form 3160-3) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|---|----------------|
| twelem | Cement is required to circulate on both surface and intermediate1 strings of casing. | 12/19/2024 |
| twelem | If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing. | 12/19/2024 |
| pkautz | Administrative order required for non-standard spacing unit prior to production. | 1/2/2025 |
| pkautz | File As Drilled C-102 and a directional Survey with C-104 completion packet. | 1/2/2025 |
| 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. | 1/2/2025 |
| 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. | 1/2/2025 |