Form 3160-3 (June 2015) UNI	TED STATES	FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018					
	IT OF THE INTERIOR	5. Lease Serial No.					
	LAND MANAGEMENT ERMIT TO DRILL OR REENTER	6. If Indian, Allotee or Tribe Name					
1a. Type of work: DRILL	REENTER	7. If Unit or CA Agreement, Name and No.					
1b. Type of Well: Oil Well G	as Well Other						
1c. Type of Completion: Hydraulic Fractur	ring Single Zone Multiple Zone	8. Lease Name and Well No.					
2. Name of Operator		9. API Well No. <b>30-025-54197</b>					
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					
<ul> <li>15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)</li> </ul>	16. No of acres in lease 17. Spa	cing Unit dedicated to this well					
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 20, BLM	M/BIA Bond No. in file					
21. Elevations (Show whether DF, KDB, RT, GL		23. Estimated duration					
	24. Attachments						
The following, completed in accordance with the (as applicable)	e requirements of Onshore Oil and Gas Order No. 1, and the	Hydraulic Fracturing rule per 43 CFR 3162.3-3					
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> </ol>	4. Bond to cover the operation Item 20 above).	ons unless covered by an existing bond on file (see					
3. A Surface Use Plan (if the location is on Natio SUPO must be filed with the appropriate Fore		formation 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 applicant to conduct operations thereon. Conditions of approval, if any, are attached.	that the applicant holds legal or equitable title to those right	ts in the subject lease which would entitle the					
	Section 1212, make it a crime for any person knowingly at alent statements or representations as to any matter within it						
		-					



\*(Instructions on page 2)

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(Continued on page 2)

	)2 Electronicall CD Permitting		State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION									
								Туре:		-		
							т	$\Box$ As Drilled				
API Nı	umber		Pool Code			TION INFORMATION Pool Name .	N					
	30-0	025-54197		41442			_USK;BO	NE SPR	RING, EAS	T		
Propert	ty Code <b>33</b>	6580	Property Na	ime	GRAYLI	NG 14 FED COM		Well Number #301H				
OGRIE	<sup>) No.</sup> 330	396	Operator Na	ame	AVANT	OPERATING, LLC		Ground Level Elevation 3620'				
Surface	e Owner: 🗆 S	State 🗆 Fee 🗆	Tribal 🛛 Fe	deral		Mineral Owner: 🗆 S	State 🗆 Fee [	□ Tribal 🛛 Federal				
					Surf	ace Location						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County		
М	14	19 S	32 E		466' FSL	320' FWL	32.6544	422° -1	03.744405°	LEA		
		I		1		n Hole Location	1	· · ·				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		ongitude 03.744464°	County		
D	11	19 S	32 E		100' FNL	330' FWL	32.6819	LEA				
Dedica	ted Acres	Infill or Defin	ing Well	Defining	Well API	Overlapping Spacing	Unit (Y/N)	t (Y/N) Consolidation Code				
128	80.00	Infil	-			No						
Order	Numbers.	R-242	54 Pendi	ig Appi	roval	Well setbacks are un	nder Commor	n Ownership	p: □Yes ⊠No			
				• • • •	Kick (	Off Point (KOP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	L	ongitude	County		
М	14	19 S	32 E		466' FSL	320' FWL	32.6544	422° -1	03.744405°	LEA		
	-				First T	ake Point (FTP)		I				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W     Latitude     Longitude			County			
Μ	14	19 S	32 E		100' FSL	330' FWL	32.653415° -103.744369° LEA			LEA		
UL	Section	Township	Range	Lot	Last T Ft. from N/S	ake Point (LTP)	Latitude	T	ongitude	County		
D	11	19 S	32 E	Lot	100' FNL	330' FWL	32.6819		03.744464°	LEA		
_		100	02 L									
Unitize	d Area or Ar	ea of Uniform II	nterest	Spacing	Unit Type 🛛 Hori	zontal 🗆 Vertical	Grour	nd Floor Elev	vation: 3620'			
I hereby my know organiza includin, location interest, entered If this we consent in each a	certify that the vledge and beli tition either own g the proposed pursuant to a c or to a volunta by the division. ell is a horizone of at least one i tract (in the tar will be located re Name	ef. and, if the well ss a working intere bottom hole locar icontract with an ow ry pooling agreem tal well, I further c lessee or owner of get pool or formati or obtained a com Meghai	ined herein is to is a vertical or a est or unleased i on or has a rigg wher of a workin ent or a compu- ertify that this of a working inter ion) in which an pulsory pooling 1 Date n Twele	lirectional w mineral inter- at to drill this g interest or sory pooling rganization i est or unleas y part of the order from 2/11/20	est in the land well at this unleased mineral order heretofore has received the ed mineral interest well's completed the division.	SURVEYOR CERTIF I hereby certify that the well surveys made by me or under of my belief.	l location shown	n, and that the yor R 07, 2024	asime is true and			
E. 1.		ntwele@o	utlook.co	m								
Email Address												

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division. **Released to Imaging: 1/2/2025 2:40:08 PM** 

04	03	X = 722186' Y = 612412' <b>03</b>	<i>02</i>   <sub>100'</sub>	X = 724834' Y = 612411' <b>02</b>	01	01	06
09	10	<u> </u>	LTP/BHL	NM138871	12	12	07
		X = 722213' Y = 609765'	AZ = 359.51°, 5186.0'	X = 724853' Y = 609771'			
			AZ = 359.	NM092771 NM0063530		R.32E	R.33E
09	10	$\begin{array}{l} X = 722231' & {}^{330'} \\ Y = 607124' & 10 \end{array}$		HZ SPACING UNIT X = 724872' Y = 607142' 11	12	12	07
16	15		NM0025497 NM0063530	14 NM105821017	13	13	18
		X = 722253' Y = 604485'	= 359.53°, 5180.2'	X = 724893' Y = 604489'			
			Ω ε Ζ Α ΑΖ = 177.96	o			
16	15	SHL/KOP 320 330	366.4' NM105821018 FTP/PPP#1	NM0025497	13	13	18
21	22	X = 722275' Y = 601846' <b>22</b>	466'1100'	X = 724913' Y = 601850' <b>23</b>	24	24	19

# WELL NAME: GRAYLING 14 FED COM #301H ELEVATION: <u>3620'</u>

NAD 83 (FTP/PPP#1) 100' FSL & 330' FWL
LATITUDE = 32.653415°
LONGITUDE = -103.744369°
NAD 27 (FTP/PPP#1)
LATITUDE = 32.653294°
LONGITUDE = -103.743869°
STATE PLANE NAD 83 (N.M. EAST)
N: 601946.03' E: 722604.12'
STATE PLANE NAD 27 (N.M. EAST)
N: 601883.11' E: 681424.57'

NAD 83 (PPP#2) 330' FWL	NAD 83 (LTP/BHL) 100' FNL & 330' FWL
LATITUDE = 32.667653°	LATITUDE = 32.681907°
LONGITUDE = -103.744415°	LONGITUDE = -103.744464°
NAD 27 (PPP#2)	NAD 27 (LTP/BHL)
LATITUDE = 32.667532°	LATITUDE = 32.681786°
LONGITUDE = -103.743915°	LONGITUDE = -103.743963°
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 607126.03' E: 722561.39'	N: 612311.84' E: 722517.30'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 607062.98' E: 681381.98'	N: 612248.66' E: 681338.04'

#### COORDINATES SYSTEM, NORTH AMERICAN APPROXIMATE WELL BORE DISTANCE FROM FTP TO LTP DATUM 83, NEW MEXICO EAST (3001). 5180.18'

3963.06'

1222.94'

10366.18'

NM0025497

NM092771

NM138871

TOTAL

O FOUND MONUMENT CALC. CORNER

O SHL/ KOP/ FTP / PPP/ LTP / BHL HORIZONTAL SPACING UNIT STATE OIL & GAS LEASE BLM OIL & GAS LEASE

NOTES

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.

1. ALL COORDINATES, BEARINGS, AND DISTANCES CONTAINED HEREIN ARE GRID, BASED UPON THE NEW MEXICO STATE PLANE

3. ELEVATIONS MSL, DERIVED FROM G.N.S.S. OBSERVATION AND DERIVED FROM SAID ON-THE-GROUND SURVEY.

0'	25	00'	5000'
	SCALE: 1'	'= 2500'	

Submit Electronically

Via E-permitting

State of New Mexico Energy, Minerals and Natural Resources Department

> 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.

# <u>Section 1 – Plan Description</u> <u>Effective May 25, 2021</u>

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	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Grayling 14 Fed Com 201H		M-14-T19S-R32E	466FSL/300FWL	1250 BBL/D	2300 MCF/D	7000 BBL/D
Grayling 14 Fed Com 301H		M-14-T19S-R32E	466FSL/320FWL	950 BBL/D	2000 MCF/D	4750 BBL/D
Grayling 14 Fed Com 501H		M-14-T19S-R32E	466FSL/340FWL	1400 BBL/D	2800 MCF/D	7000 BBL/D
Grayling 14 Fed Com 601H		M-14-T19S-R32E	466FSL/360FWL	1300 BBL/D	2600 MCF/D	6500 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 Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Grayling 14 Fed Com 201H		12/15/2024	01/26/2025	02/01/2025	03/26/2025	03/26/2025
Grayling 14 Fed Com 301H		12/15/2024	01/26/2025	02/01/2025	03/26/2025	03/26/2025
Grayling 14 Fed Com 501H		12/15/2024	01/26/2025	02/01/2025	03/26/2025	03/26/2025
Grayling 14 Fed Com 601H		12/15/2024	01/26/2025	02/01/2025	03/26/2025	03/26/2025

VI. Separation Equipment: 🛛 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.

# Section 3 - Certifications Effective May 25, 2021

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

 $\boxtimes$  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

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

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

# Section 4 - Notices

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

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

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

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

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

Signature:
Printed Name: 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 (l) 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



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

APD ID: 10400097552

**Operator Name: AVANT OPERATING LLC** 

Well Name: GRAYLING 14 FED COM

Well Type: OIL WELL

Well Number: 301H Well Work Type: Drill

Submission Date: 03/18/2024

Highlighted data reflects the most recent changes

12/11/2024

Drilling Plan Data Report

Page 8 of 51

<u>Show Final Text</u>

# **Section 1 - Geologic Formations**

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
14653518	QUATERNARY	3620	0	0	OTHER : Caliche	USEABLE WATER	N
14653519	RUSTLER ANHYDRITE	2493	1127	1127	ANHYDRITE	NONE	N
14653521	SALADO	2190	1430	1430	SALT	NONE	N
14653520	YATES	820	2800	2800	SANDSTONE	NATURAL GAS, OIL	N
14653529	CAPITAN REEF	70	3550	3550	LIMESTONE	USEABLE WATER	N
14653522	DELAWARE SAND	-2255	5875	5879	SANDSTONE	NATURAL GAS, OIL	N
14653524	BONE SPRING	-3880	7500	7530	SANDSTONE	NATURAL GAS, OIL	N
14653517	FIRST BONE SPRING SAND	-5063	8683	8879	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. Surface casing by an independent service company. Test charts will always be kept on site. Intermediate casing will be tested to 5000 (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: 301H

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 multi-bowl 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	3620	2468	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	5879	0	5875	3640	-2255	5879	J-55	40	LT&C	1.12 5	1.12 5	DRY	1.6	DRY	1.6
3	PRODUCTI ON	8.75	5.5	NEW	NON API	N	0	18939	0	8700	3679	-5080	18939	HCP -110		-	1.12 5	1.12 5	DRY	1.6	DRY	1.6

### **Casing Attachments**

Operator Name: AVANT OPERATING LLC

Well Name: GRAYLING 14 FED COM

Well Number: 301H

### **Casing Attachments**

Casing ID: 1 String SURFACE
Inspection Document:
Spec Document:
Toporod String Spool
Tapered String Spec:
Casing Design Assumptions and Worksheet(s):
Grayling_Pad_1_Casing_Design_Assumptions_20240318134310.pdf
Casing ID: 2 String INTERMEDIATE
Inspection Document:
Spec Document:
Tapered String Spec:
Casing Design Assumptions and Worksheet(s):
Grayling_Pad_1_Casing_Design_Assumptions_20240315141744.pdf
Casing ID: 3 String PRODUCTION
Casing ID: 3 String PRODUCTION Inspection Document:
inspection bocument.
Spec Document:
5.5_Casing_Specs_20240130152531.pdf
Tapered String Spec:
Casing Design Assumptions and Worksheet(s):
Grayling_Pad_1_Casing_Design_Assumptions_20240318134253.pdf

**Section 4 - Cement** 

Well Name: GRAYLING 14 FED COM

### Well Number: 301H

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	12.8	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	5879	1100	1.9	12.8	2090	50	35% Class B Poz + 65% Class C	6% Gel+5% SALT+0.3% R- 1300+0.005GPS
INTERMEDIATE	Tail		4703	5879	340	1.36	14.8	463	20	Class C	5% SALT+0.005GPS NoFoam V1A
PRODUCTION	Lead		0	1893 9	720	3.38	10.7	2433	50	100% ProLite	5PPS Plexcrete STE+2% SMS+0.65% R-1300+0.2% FL- 24+3PPS Gilsonite+0.005GPS NoFoam V1A
PRODUCTION	Tail		8256	1893 9	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

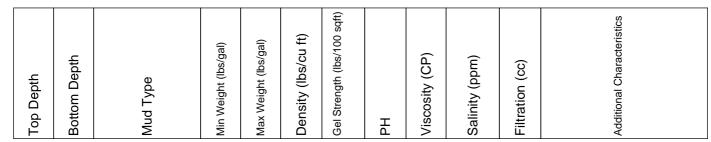
Description of the equipment for the circulating system in accordance with Onshore Order #2:

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**



# Well Name: GRAYLING 14 FED COM

### Well Number: 301H

Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (Ibs/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	5879	OTHER : Brine	10	10.5							
5879	8256	OTHER : Cut Brine	9.2	9.5							
8256	9006	OTHER : Cut Brine	9.5	9.5							
9006	1893 9	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: 4176

Anticipated Surface Pressure: 2262

Anticipated Bottom Hole Temperature(F): 161

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\_1\_H2S\_Packet\_20240315144048.pdf

Well Name: GRAYLING 14 FED COM

Well Number: 301H

# **Section 8 - Other Information**

### Proposed horizontal/directional/multi-lateral plan submission:

Grayling\_14\_Fed\_Com\_301H\_Plan\_0.1\_Report\_20240318134801.pdf

Grayling\_14\_Fed\_Com\_301H\_Plan\_0.1\_Anti\_Collision\_20240318134805.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:

Flex\_Line\_Certification\_20240315144246.pdf

Grayling\_Speedhead\_Specs\_20240130154745.pdf

Avant\_Natural\_Resources\_Grayling\_14\_Fed\_Com\_\_301H\_\_240311133506\_A\_\_Entire\_Well\_\_No\_Pricing\_202403181348 09.pdf

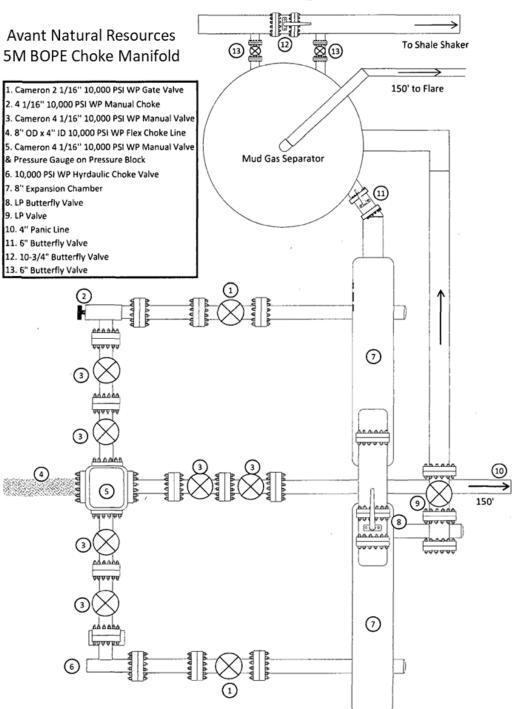
Grayling\_14\_Fed\_Com\_301H\_WBS\_Prelim\_20240318134815.pdf

### Other Variance attachment:

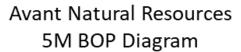
Grayling\_301H\_Casing\_Cementing\_Variance\_20240318135008.pdf

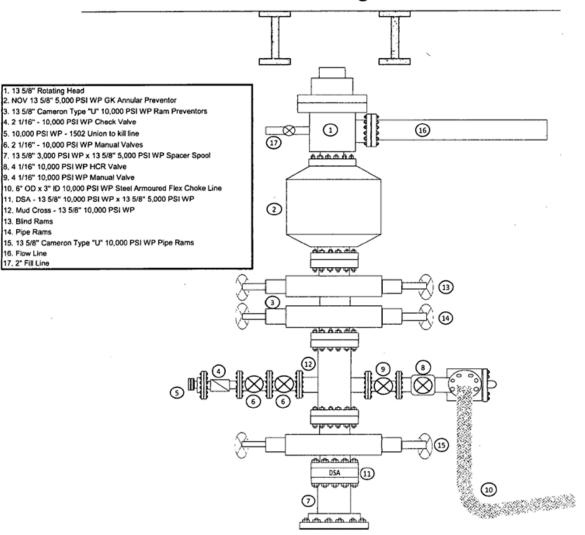
Avant\_\_\_Offline\_Cementing\_Procedure\_20241013211224.pdf

Avant\_Surface\_Casing\_Cement\_Variance\_20241013211233.pdf



# Choke Manifold Diagram







# PERFORMANCE DATA SHEET

Revised May 2020

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

5.500 in	Pipe Grade	IP HCP-110
6.300 in	Coupling Grade	P-110
0.361 in	T&C WPF	20.00 lbs/ft
4.653 in	PE WPF	19.83 lbs/ft
125,000 psi	Collapse Pressure	12,200 psi
125,000 psi	Pipe Body Internal Yield Pressure	14,360 psi
110,000 psi	Leak at E7 Plane	21,500 psi
125,000 psi	Pipe Hydrostatic Test @ 80% SMYS	13,100 psi
GR CD Butt	Coupling Thread Fracture Strength	1,013,000 lbs
		729,000 lbs
10,000 ft-lbs	Pipe Thread Fracture Strength	685,000 lbs
20,000 ft-lbs	Coupling Internal Yield Pressure	16,240 psi
33,660 ft-lbs		
35,440 ft-lbs		
	4.653 in 125,000 psi 125,000 psi 110,000 psi 125,000 psi 125,000 psi GB CD Butt 685,000 lbs 10,000 ft-lbs 20,000 ft-lbs 33,660 ft-lbs	4.653 inPE WPF125,000 psiCollapse Pressure125,000 psiPipe Body Internal Yield Pressure110,000 psiLeak at E7 Plane125,000 psiPipe Hydrostatic Test @ 80% SMYSGB CD ButtCoupling Thread Fracture & Strength685,000 lbsPipe Body Plain End Yield10,000 ft-lbsPipe Thread Fracture Strength20,000 ft-lbsCoupling Internal Yield Pressure33,660 ft-lbsSupport Strength

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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: DFc = 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	9-5/8″	40# J-55 LTC	8.835	8.679	3950	2570	630	520	0' – ICP'

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### Collapse: DFc = 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 50bbl 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: DFc = 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.

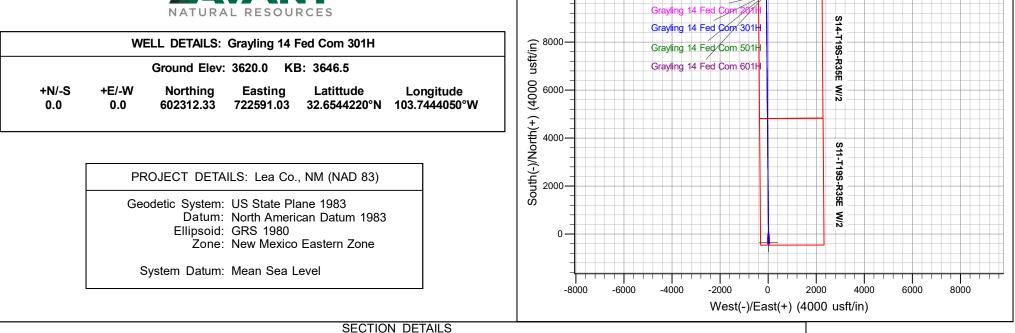
Burst:  $DF_B = 1.25$ 

- 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.

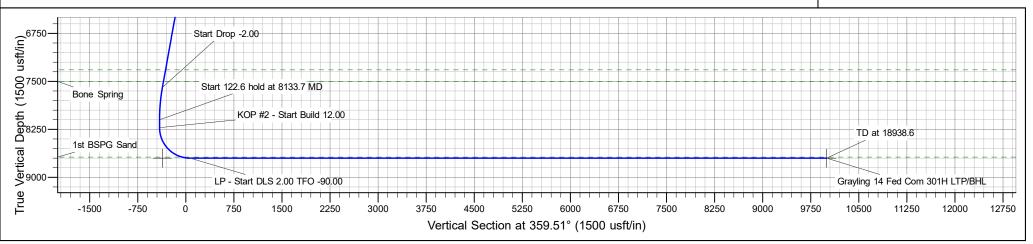
Tension: DF<sub>T</sub> = 1.6

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





10000-



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Page 19 of 51



# **Avant Operating, LLC**

Lea Co., NM (NAD 83) Grayling 14 Fed Com Pad 1 Grayling 14 Fed Com 301H

OH

Plan: Plan 0.1

# **Standard Planning Report**

11 March, 2024





Planning Report



Database: Company: Project: Site: Well: Wellbore: Design:	Avant Opera Lea Co., NN Grayling 14	-		Local Co-ordir TVD Reference MD Reference North Referen Survey Calcula	ce:	Well Grayling 14 WELL @ 3646.5 WELL @ 3646.5 Grid Minimum Curvat	5usft (3646.5)
Project	Lea Co., NM	(NAD 83)					
Geo Datum:	US State Plane North Americar New Mexico Ea	n Datum 1983		System Datum:		Mean Sea Level	
Site	Grayling 14 F	ed Com Pad 1					
Site Position: From: Position Uncertainty:	Lat/Long	0.0 usft	Northing: Easting: Slot Radius:	602,312.2 722,571.( 13-3/	)2 usft Longitu		32.6544220°N 103.7444700°₩
Well	Grayling 14 F	ed Com 301H					
Well Position	+N/-S +E/-W	0.0 usft 0.0 usft	Northing: Easting:		02,312.34 usft 22,591.03 usft	Latitude: Longitude:	32.6544220°I 103.7444050°V
Position Uncertainty Grid Convergence:		0.0 usft 0.32 °	Wellhead Elev	vation:	usft	Ground Level:	3,620.0 us
Wellbore	ОН						
Magnetics	Model Na	ame	Sample Date	Declination (°)		Dip Angle (°)	Field Strength (nT)
	IG	RF2000	12/31/2004		8.68	60.81	49,662.70860189
Design	Plan 0.1						
Audit Notes: Version:			Phase:	PROTOTYPE	Tie On Dep	th:	0.0
Vertical Section:		(1	rom (TVD) usft)	+N/-S (usft)	+E/-W (usft)		ection (°)
			0.0	0.0	0.0	35	9.51
Plan Survey Tool Pro Depth From (usft)	gram Depth To (usft)	Date 3/11/2 Survey (Wellb		Tool Name	Rema	rks	
1 0.0	18,938.6	Plan 0.1 (OH)		B001Mb_MWD+H			



Planning Report



Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Grayling 14 Fed Com 301H
Company:	Avant Operating, LLC	TVD Reference:	WELL @ 3646.5usft (3646.5)
Project:	Lea Co., NM (NAD 83)	MD Reference:	WELL @ 3646.5usft (3646.5)
Site:	Grayling 14 Fed Com Pad 1	North Reference:	Grid
Well:	Grayling 14 Fed Com 301H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 0.1		

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,807.2	10.14	180.00	5,804.6	-44.8	0.0	2.00	2.00	0.00	180.00	
7,626.5	10.14	180.00	7,595.4	-365.2	0.0	0.00	0.00	0.00	0.00	
8,133.7	0.00	0.00	8,100.0	-410.0	0.0	2.00	-2.00	0.00	180.00	
8,256.3	0.00	0.00	8,222.6	-410.0	0.0	0.00	0.00	0.00	0.00	
9,006.2	90.00	1.20	8,700.0	67.3	10.0	12.00	12.00	0.00	1.20	
9,006.3	90.00	1.20	8,700.0	67.4	10.0	0.00	0.00	0.00	0.00	
9,090.8	90.00	359.51	8,700.0	151.9	10.5	2.00	0.00	-2.00	-90.00	
18,938.6	90.00	359.51	8,700.0	9,999.3	-73.6	0.00	0.00	0.00	0.00	Grayling 14 Fed Cor



**Planning Report** 



EDM 5000.16 Single User Db Well Grayling 14 Fed Com 301H Database: Local Co-ordinate Reference: Company: Avant Operating, LLC TVD Reference: WELL @ 3646.5usft (3646.5) Project: Lea Co., NM (NAD 83) MD Reference: WELL @ 3646.5usft (3646.5) Site: Grayling 14 Fed Com Pad 1 North Reference: Grid Well: Grayling 14 Fed Com 301H Survey Calculation Method: Minimum Curvature ОН Wellbore: Design: Plan 0.1

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,127.0	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
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00 0.00	0.00	0.00 0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0		0.00	
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
Yates									
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00 0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,550.0	0.00	0.00	3,550.0	0.0	0.0	0.0	0.00	0.00	0.00
Capitan Reel 3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0 3,900.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0 4,000.0	0.00 0.00	0.00 0.00	3,900.0 4,000.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	0.00 0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0 4,300.0	0.00 0.00	0.00 0.00	4,200.0 4,300.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	0.00 0.00
4,300.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00

3/11/2024 12:41:28PM

COMPASS 5000.16 Build 96



**Planning Report** 



Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Grayling 14 Fed Com 301H
Company:	Avant Operating, LLC	TVD Reference:	WELL @ 3646.5usft (3646.5)
Project:	Lea Co., NM (NAD 83)	MD Reference:	WELL @ 3646.5usft (3646.5)
Site:	Grayling 14 Fed Com Pad 1	North Reference:	Grid
Well:	Grayling 14 Fed Com 301H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan 0.1		

Planned Survey

Measured Depth Ir (usft)	nclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00
5,300.0 KOP - Start Bui	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00
5.400.0	2.00	180.00	5,400.0	-1.7	0.0	-1.7	2.00	2.00	0.00
5,475.1	3.50	180.00	5,475.0	-5.4	0.0	-5.3	2.00	2.00	0.00
Formation 10	0.00	100.00	0,110.0	0.1	0.0	0.0	2.00	2.00	0.00
5,500.0	4.00	180.00	5,499.8	-7.0	0.0	-7.0	2.00	2.00	0.00
5,600.0	6.00	180.00	5,599.5	-15.7	0.0	-15.7	2.00	2.00	0.00
5,700.0	8.00	180.00	5,698.7	-27.9	0.0	-27.9	2.00	2.00	0.00
5,800.0	10.00	180.00	5,797.5	-43.5	0.0	-43.5	2.00	2.00	0.00
5,807.2	10.00	180.00	5,804.6	-43.5	0.0	-43.5	2.00	2.00	0.00
Start 1819.3 hol			0,004.0	-44.0	0.0	-44.0	2.00	2.00	0.00
5,878.8	10.14	180.00	5,875.0	-57.4	0.0	-57.4	0.00	0.00	0.00
Delaware Sands	5								
5,900.0	10.14	180.00	5,895.9	-61.1	0.0	-61.1	0.00	0.00	0.00
6,000.0	10.14	180.00	5,994.3	-78.7	0.0	-78.7	0.00	0.00	0.00
6,100.0	10.14	180.00	6,092.8	-96.4	0.0	-96.3	0.00	0.00	0.00
6,200.0	10.14	180.00	6,191.2	-114.0	0.0	-114.0	0.00	0.00	0.00
6,300.0	10.14	180.00	6,289.7	-131.6	0.0	-131.6	0.00	0.00	0.00
6,400.0	10.14	180.00	6,388.1	-149.2	0.0	-149.2	0.00	0.00	0.00
6,500.0	10.14	180.00	6,486.5	-166.8	0.0	-166.8	0.00	0.00	0.00
6,600.0	10.14	180.00	6,585.0	-184.4	0.0	-184.4	0.00	0.00	0.00
6,700.0	10.14	180.00	6,683.4	-202.0	0.0	-202.0	0.00	0.00	0.00
6,800.0	10.14	180.00	6,781.8	-219.6	0.0	-219.6	0.00	0.00	0.00
6,900.0	10.14	180.00	6,880.3	-237.3	0.0	-237.2	0.00	0.00	0.00
7,000.0	10.14	180.00	6,978.7	-254.9	0.0	-254.9	0.00	0.00	0.00
7,100.0	10.14	180.00	7,077.1	-272.5	0.0	-272.5	0.00	0.00	0.00
7,200.0	10.14	180.00	7,175.6	-290.1	0.0	-290.1	0.00	0.00	0.00
7,300.0	10.14	180.00	7,274.0	-307.7	0.0	-307.7	0.00	0.00	0.00
7,346.7	10.14	180.00	7,320.0	-315.9	0.0	-315.9	0.00	0.00	0.00
Lwr Brushy Ma									
7,400.0	10.14	180.00	7,372.5	-325.3	0.0	-325.3	0.00	0.00	0.00
7,500.0	10.14	180.00	7,470.9	-342.9	0.0	-342.9	0.00	0.00	0.00
7,529.6	10.14	180.00	7,500.0	-348.1	0.0	-348.1	0.00	0.00	0.00
Bone Spring 7,600.0	10.14	180.00	7,569.3	-360.5	0.0	-360.5	0.00	0.00	0.00
7,626.5	10.14	180.00	7,595.4	-365.2	0.0	-365.2	0.00	0.00	0.00
Start Drop -2.00		100.00	1,000.4	-000.2	0.0	-000.2	0.00	0.00	0.00
7,700.0	8.67	180.00	7,667.9	-377.2	0.0	-377.2	2.00	-2.00	0.00
7,800.0	6.67	180.00	7,767.0	-390.6	0.0	-390.6	2.00	-2.00	0.00
7,900.0	4.67	180.00	7,866.5	-400.5	0.0	-400.5	2.00	-2.00	0.00
8,000.0	2.67	180.00	7,966.3	-406.9	0.0	-406.9	2.00	-2.00	0.00
8,100.0	0.67	180.00	8,066.3	-409.8	0.0	-409.8	2.00	-2.00	0.00
8,133.7	0.00	0.00	8,100.0	-410.0	0.0	-410.0	2.00	-2.00	0.00
Start 122.6 hold									
8,200.0	0.00	0.00	8,166.3	-410.0	0.0	-410.0	0.00	0.00	0.00
8,256.3	0.00	0.00	8,222.6	-410.0	0.0	-410.0	0.00	0.00	0.00
KOP #2 - Start E									

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COMPASS 5000.16 Build 96



**Planning Report** 



Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Grayling 14 Fed Com 301H
Company:	Avant Operating, LLC	TVD Reference:	WELL @ 3646.5usft (3646.5)
Project:	Lea Co., NM (NAD 83)	MD Reference:	WELL @ 3646.5usft (3646.5)
Site:	Grayling 14 Fed Com Pad 1	North Reference:	Grid
Well:	Grayling 14 Fed Com 301H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 0.1		

#### Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,300.0	5.24	1.20	8,266.2	-408.0	0.0	-408.0	12.00	12.00	0.00
8,400.0	17.24	1.20	8,364.1	-388.5	0.4	-388.5	12.00	12.00	0.00
8,500.0	29.25	1.20	8,455.8	-349.2	1.3	-349.2	12.00	12.00	0.00
8,600.0	41.25	1.20	8,537.3	-291.6	2.5	-291.6	12.00	12.00	0.00
8,655.8	47.95	1.20	8,577.1	-252.4	3.3	-252.4	12.00	12.00	0.00
	Fed Com 301H F								
8,700.0	53.25	1.20	8,605.1	-218.3	4.0	-218.3	12.00	12.00	0.00
8,800.0	65.25	1.20	8,656.1	-132.5	5.8	-132.6	12.00	12.00	0.00
8,878.5	74.66	1.20	8,683.0	-58.9	7.4	-59.0	12.00	12.00	0.00
1st BSPG Sa	and								
8,900.0	77.25	1.20	8,688.2	-38.0	7.8	-38.1	12.00	12.00	0.00
9,000.0	89.25	1.20	8,700.0	61.1	9.9	61.0	12.00	12.00	0.00
9,006.2	90.00	1.20	8,700.0	67.3	10.0	67.2	12.00	12.00	0.00
9,006.3	90.00	1.20	8,700.0	67.4	10.0	67.3	0.00	0.00	0.00
LP - Start DI	S 2.00 TFO -90.	00							
9,090.8	90.00	359.51	8,700.0	151.9	10.5	151.8	2.00	0.00	-2.00
Start 9847.8	hold at 9090.8 N	1D							
9,100.0	90.00	359.51	8,700.0	161.1	10.4	161.0	0.00	0.00	0.00
9,200.0	90.00	359.51	8,700.0	261.1	9.6	261.0	0.00	0.00	0.00
9,300.0	90.00	359.51	8,700.0	361.1	8.7	361.0	0.00	0.00	0.00
9,400.0	90.00	359.51	8,700.0	461.1	7.9	461.0	0.00	0.00	0.00
9,500.0	90.00	359.51	8,700.0	561.1	7.0	561.0	0.00	0.00	0.00
9,600.0	90.00	359.51	8,700.0	661.0	6.2	661.0	0.00	0.00	0.00
9,700.0	90.00	359.51	8,700.0	761.0	5.3	761.0	0.00	0.00	0.00
9,800.0	90.00	359.51	8,700.0	861.0	4.5	861.0	0.00	0.00	0.00
9,900.0	90.00	359.51	8,700.0	961.0	3.6	961.0	0.00	0.00	0.00
10,000.0	90.00	359.51	8,700.0	1,061.0	2.8	1,061.0	0.00	0.00	0.00
10,100.0	90.00	359.51	8,700.0	1,161.0	1.9	1,161.0	0.00	0.00	0.00
10,200.0	90.00	359.51	8,700.0	1,261.0	1.0	1,261.0	0.00	0.00	0.00
10,300.0	90.00	359.51	8,700.0	1,361.0	0.2	1,361.0	0.00	0.00	0.00
10,400.0	90.00	359.51	8,700.0	1,461.0	-0.7	1,461.0	0.00	0.00	0.00
10,500.0	90.00	359.51	8,700.0	1,561.0	-1.5	1,561.0	0.00	0.00	0.00
10,600.0	90.00	359.51	8,700.0	1,661.0	-2.4	1,661.0	0.00	0.00	0.00
10,700.0	90.00	359.51	8,700.0	1,761.0	-3.2	1,761.0	0.00	0.00	0.00
10,800.0	90.00	359.51	8,700.0	1,861.0	-4.1	1,861.0	0.00	0.00	0.00
10,900.0	90.00	359.51	8,700.0	1,961.0	-4.9	1,961.0	0.00	0.00	0.00
11,000.0	90.00	359.51	8,700.0	2,061.0	-5.8	2,061.0	0.00	0.00	0.00
11,100.0	90.00	359.51	8,700.0	2,161.0	-6.6	2,161.0	0.00	0.00	0.00
11,200.0	90.00	359.51	8,700.0	2,261.0	-7.5	2,261.0	0.00	0.00	0.00
11,300.0	90.00	359.51	8,700.0	2,361.0	-8.4	2,361.0	0.00	0.00	0.00
11,400.0	90.00	359.51	8,700.0	2,461.0	-9.2	2,461.0	0.00	0.00	0.00
11,500.0	90.00	359.51	8,700.0	2,561.0	-10.1	2,561.0	0.00	0.00	0.00
11,600.0	90.00	359.51	8,700.0	2,661.0	-10.9	2,661.0	0.00	0.00	0.00
11,700.0	90.00	359.51	8,700.0	2,761.0	-11.8	2,761.0	0.00	0.00	0.00
11,800.0	90.00	359.51	8,700.0	2,861.0	-12.6	2,861.0	0.00	0.00	0.00
11,900.0	90.00	359.51	8,700.0	2,961.0	-13.5	2,961.0	0.00	0.00	0.00
12,000.0	90.00	359.51	8,700.0	3,061.0	-14.3	3,061.0	0.00	0.00	0.00
12,100.0	90.00	359.51	8,700.0	3,161.0	-15.2	3,161.0	0.00	0.00	0.00
12,200.0	90.00	359.51	8,700.0	3,261.0	-16.0	3,261.0	0.00	0.00	0.00
12,300.0	90.00	359.51	8,700.0	3,361.0	-16.9	3,361.0	0.00	0.00	0.00
12,400.0	90.00	359.51	8,700.0	3,460.9	-17.8	3,461.0	0.00	0.00	0.00
12,500.0	90.00	359.51	8,700.0	3,560.9	-18.6	3,561.0	0.00	0.00	0.00
12,600.0	90.00	359.51	8,700.0	3,660.9	-19.5	3,661.0	0.00	0.00	0.00

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Planning Report



EDM 5000.16 Single User Db Well Grayling 14 Fed Com 301H Database: Local Co-ordinate Reference: Company: Avant Operating, LLC TVD Reference: WELL @ 3646.5usft (3646.5) Project: Lea Co., NM (NAD 83) MD Reference: WELL @ 3646.5usft (3646.5) Site: Grayling 14 Fed Com Pad 1 North Reference: Grid Well: Grayling 14 Fed Com 301H Survey Calculation Method: Minimum Curvature ОН Wellbore: Design: Plan 0.1

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
12,700.0	90.00	359.51	8,700.0	3,760.9	-20.3	3,761.0	0.00	0.00	0.00
12,800.0	90.00	359.51	8,700.0	3,860.9	-21.2	3,861.0	0.00	0.00	0.00
12,900.0	90.00	359.51	8,700.0	3,960.9	-22.0	3.961.0	0.00	0.00	0.00
,						- ,			
13,000.0	90.00	359.51	8,700.0	4,060.9	-22.9	4,061.0	0.00	0.00	0.00
13,100.0	90.00	359.51	8,700.0	4,160.9	-23.7	4,161.0	0.00	0.00	0.00
13,200.0	90.00	359.51	8,700.0	4,260.9	-24.6	4,261.0	0.00	0.00	0.00
13,300.0	90.00	359.51	8,700.0	4,360.9	-25.4	4,361.0	0.00	0.00	0.00
13,400.0	90.00	359.51	8,700.0	4,460.9	-26.3	4,461.0	0.00	0.00	0.00
13,500.0	90.00	359.51	8,700.0	4,560.9	-27.2	4,561.0	0.00	0.00	0.00
13,600.0	90.00	359.51	8,700.0	4,660.9	-28.0	4,661.0	0.00	0.00	0.00
13,700.0	90.00	359.51	8,700.0	4,760.9	-28.9	4,761.0	0.00	0.00	0.00
13,800.0	90.00	359.51	8,700.0	4,860.9	-29.7	4,861.0	0.00	0.00	0.00
12,000,0	00.00	250 54	0,700,0	4.000.0	20.0	4 004 0	0.00	0.00	0.00
13,900.0	90.00	359.51	8,700.0	4,960.9	-30.6	4,961.0	0.00	0.00	0.00
14,000.0	90.00	359.51	8,700.0	5,060.9	-31.4	5,061.0	0.00	0.00	0.00
14,100.0	90.00	359.51	8,700.0	5,160.9	-32.3	5,161.0	0.00	0.00	0.00
14,200.0	90.00	359.51	8,700.0	5,260.9	-33.1	5,261.0	0.00	0.00	0.00
14,300.0	90.00	359.51	8,700.0	5,360.9	-34.0	5,361.0	0.00	0.00	0.00
14,400.0	90.00	359.51	8,700.0	5,460.9	-34.8	5,461.0	0.00	0.00	0.00
14,500.0	90.00	359.51	8,700.0	5,560.9	-35.7	5,561.0	0.00	0.00	0.00
14,600.0	90.00	359.51	8,700.0	5,660.9	-36.6	5,661.0	0.00	0.00	0.00
14,700.0	90.00	359.51	8,700.0	5,760.9	-37.4	5,761.0	0.00	0.00	0.00
14,800.0	90.00	359.51	8,700.0	5,860.9	-38.3	5,861.0	0.00	0.00	0.00
14,900.0	90.00	359.51	8,700.0	5,960.9	-39.1	5,961.0	0.00	0.00	0.00
15,000.0	90.00	359.51	8,700.0	6,060.9	-40.0	6,061.0	0.00	0.00	0.00
15,100.0	90.00	359.51	8,700.0	6,160.8	-40.8	6,161.0	0.00	0.00	0.00
15,200.0	90.00	359.51	8,700.0	6,260.8	-41.7	6,261.0	0.00	0.00	0.00
15,300.0	90.00	359.51	8,700.0	6,360.8	-42.5	6,361.0	0.00	0.00	0.00
15,400.0	90.00	359.51	8,700.0	6,460.8	-43.4	6,461.0	0.00	0.00	0.00
15,500.0	90.00	359.51	8,700.0	6,560.8	-44.2	6,561.0	0.00	0.00	0.00
15,600.0	90.00	359.51	8,700.0	6,660.8	-45.1	6,661.0	0.00	0.00	0.00
15,700.0	90.00	359.51	8,700.0	6,760.8	-46.0	6,761.0	0.00	0.00	0.00
15,800.0	90.00	359.51	8,700.0	6,860.8	-46.8	6,861.0	0.00	0.00	0.00
15,900.0	90.00	359.51	8,700.0	6,960.8	-47.7	6,961.0	0.00	0.00	0.00
16,000.0	90.00	359.51	8,700.0	7,060.8	-48.5	7,061.0	0.00	0.00	0.00
16,100.0	90.00	359.51	8,700.0	7,160.8	-49.4	7,161.0	0.00	0.00	0.00
16,200.0	90.00	359.51	8,700.0	7,260.8	-50.2	7,261.0	0.00	0.00	0.00
16,300.0	90.00	359.51	8,700.0	7,360.8	-51.1	7,361.0	0.00	0.00	0.00
16,400.0	90.00	359.51	8,700.0	7,460.8	-51.9	7,461.0	0.00	0.00	0.00
16,500.0	90.00	359.51	8,700.0	7,560.8	-52.8	7,401.0	0.00	0.00	0.00
16,500.0	90.00	359.51	8,700.0	7,660.8	-52.0 -53.6	7,561.0	0.00	0.00	0.00
16,700.0	90.00	359.51	8,700.0 8,700.0	7,000.8	-53.6 -54.5	7,001.0	0.00	0.00	0.00
16,800.0	90.00	359.51	8,700.0	7,860.8	-55.4	7,861.0	0.00	0.00	0.00
16,900.0	90.00	359.51	8,700.0	7,960.8	-56.2	7,961.0	0.00	0.00	0.00
17,000.0	90.00	359.51	8,700.0	8,060.8	-57.1	8,061.0	0.00	0.00	0.00
17,100.0	90.00	359.51	8,700.0	8,160.8	-57.9	8,161.0	0.00	0.00	0.00
17,200.0	90.00	359.51	8,700.0	8,260.8	-58.8	8,261.0	0.00	0.00	0.00
17,300.0	90.00	359.51	8,700.0	8,360.8	-59.6	8,361.0	0.00	0.00	0.00
	00.00	250 51			60 F			0.00	0.00
17,400.0	90.00	359.51	8,700.0	8,460.8	-60.5	8,461.0	0.00	0.00	0.00
17,500.0	90.00	359.51	8,700.0	8,560.8	-61.3	8,561.0	0.00	0.00	0.00
17,600.0	90.00	359.51	8,700.0	8,660.8	-62.2	8,661.0	0.00	0.00	0.00
17,700.0	90.00	359.51	8,700.0	8,760.8	-63.0	8,761.0	0.00	0.00	0.00
17,800.0	90.00	359.51	8,700.0	8,860.7	-63.9	8,861.0	0.00	0.00	0.00
17,900.0	90.00	359.51	8,700.0	8,960.7	-64.8	8,961.0	0.00	0.00	0.00
18,000.0	90.00	359.51	8,700.0	9,060.7	-65.6	9,061.0	0.00	0.00	0.00

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COMPASS 5000.16 Build 96



Planning Report



Database:	EDM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Grayling 14 Fed Com 301H
Company:	Avant Operating, LLC	TVD Reference:	WELL @ 3646.5usft (3646.5)
Project:	Lea Co., NM (NAD 83)	MD Reference:	WELL @ 3646.5usft (3646.5)
Site:	Grayling 14 Fed Com Pad 1	North Reference:	Grid
Well:	Grayling 14 Fed Com 301H	Survey Calculation Method:	Minimum Curvature
Wellbore:	ОН		
Design:	Plan 0.1		

#### Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
18,100.0	90.00	359.51	8,700.0	9,160.7	-66.5	9,161.0	0.00	0.00	0.00
18,200.0	90.00	359.51	8,700.0	9,260.7	-67.3	9,261.0	0.00	0.00	0.00
18,300.0	90.00	359.51	8,700.0	9,360.7	-68.2	9,361.0	0.00	0.00	0.00
18,400.0	90.00	359.51	8,700.0	9,460.7	-69.0	9,461.0	0.00	0.00	0.00
18,500.0	90.00	359.51	8,700.0	9,560.7	-69.9	9,561.0	0.00	0.00	0.00
18,600.0	90.00	359.51	8,700.0	9,660.7	-70.7	9,661.0	0.00	0.00	0.00
18,700.0	90.00	359.51	8,700.0	9,760.7	-71.6	9,761.0	0.00	0.00	0.00
18,800.0	90.00	359.51	8,700.0	9,860.7	-72.4	9,861.0	0.00	0.00	0.00
18,900.0	90.00	359.51	8,700.0	9,960.7	-73.3	9,961.0	0.00	0.00	0.00
18,938.6	90.00	359.51	8,700.0	9,999.3	-73.6	9,999.6	0.00	0.00	0.00
TD at 18938.	6 - Grayling 14 F	ed Com 301H L	TP/BHL						

**Design Targets** Target Name - hit/miss target Dip Angle Dip Dir. TVD +N/-S +E/-W Northing Easting - Shape (usft) (usft) (usft) (usft) (°) (°) (usft) Longitude Latitude 103.7443690°W Grayling 14 Fed Com 30 0.00 0.00 8,700.0 -366.3 13.1 601,946.04 722,604.14 32.6534150°N - plan misses target center by 167.9usft at 8655.8usft MD (8577.1 TVD, -252.4 N, 3.3 E) - Point Grayling 14 Fed Com 30 0.00 0.00 -73.6 612,311.68 32.6819070°N 103.7444640°W 8,700.0 9,999.3 722,517.39 - plan hits target center - Point

- Point

**F** ----

Formations						
	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			
	2,800.0	2,800.0	Yates			
	3,550.0	3,550.0	Capitan Reef			
	5,475.1	5,475.0	Formation 10		0.00	
	5,878.8	5,875.0	Delaware Sands			
	7,346.7	7,320.0	Lwr Brushy Marker			
	7,529.6	7,500.0	Bone Spring			
	8,878.5	8,683.0	1st BSPG Sand			



Planning Report



Database:	EC	DM 5000.16 Single User Db	Local Co-ordinate Reference:	Well Grayling 14 Fed Com 301H
Company:	Av	vant Operating, LLC	TVD Reference:	WELL @ 3646.5usft (3646.5)
Project:	Le	ea Co., NM (NAD 83)	MD Reference:	WELL @ 3646.5usft (3646.5)
Site:	Gr	rayling 14 Fed Com Pad 1	North Reference:	Grid
Well:	Gr	rayling 14 Fed Com 301H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OF	н		
Design:	Pla	an 0.1		

Plan Annotations
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Measured	Vertical	Local Coor	dinates	
Depth (usft)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Comment
5,300.0	5,300.0	0.0	0.0	KOP - Start Build 2.00
5,807.2	5,804.6	-44.8	0.0	Start 1819.3 hold at 5807.2 MD
7,626.5	7,595.4	-365.2	0.0	Start Drop -2.00
8,133.7	8,100.0	-410.0	0.0	Start 122.6 hold at 8133.7 MD
8,256.3	8,222.6	-410.0	0.0	KOP #2 - Start Build 12.00
9,006.3	8,700.0	67.4	10.0	LP - Start DLS 2.00 TFO -90.00
9,090.8	8,700.0	151.9	10.5	Start 9847.8 hold at 9090.8 MD
18,938.6	8,700.0	9,999.3	-73.6	TD at 18938.6

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# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

<b>OPERATOR'S NAME:</b>	Devon Energy Production Company LP				
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 301H				
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 330'/W				
ATS/API ID:	ATS-24-994				
APD ID:	10400097552				
Sundry ID:	N/a				
Date APD Submitted:	N/a				
	·				
WELL NAME & NO.:	Grayling 14 Fed Com 303H				
<b>BOTTOM HOLE FOOTAGE</b>	100 <sup>°</sup> /N & 2178 <sup>°</sup> /W				
ATS/API ID:	ATS-24-1297				
APD ID:	10400097837				
Sundry ID:	N/a				
Date APD Submitted:	N/a				
WELL NAME & NO.:	Grayling 14 Fed Com 501H				
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 330'/W				
ATS/API ID:	ATS-24-993				
APD ID:	10400097553				
Sundry ID:	N/a				
Date APD Submitted:	N/a				
WELL NAME & NO.:	Grayling 14 Fed Com 503H				
<b>BOTTOM HOLE FOOTAGE</b>	100 <sup>°</sup> /N & 2178 <sup>°</sup> /W				
ATS/API ID:	ATS-24-1295				
APD ID:	10400097860				
Sundry ID:	N/a				
Date APD Submitted:	N/a				

WELL NAME & NO.:	Grayling 14 Fed Com 506H
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 330'/E
ATS/API ID:	ATS-24-843
APD ID:	10400096964
Sundry ID:	N/a
Date APD Submitted:	N/a

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WELL NAME & NO.:	Grayling 14 Fed Com 601H		
BOTTOM HOLE FOOTAGE	100'/N & 330'/W		
ATS/API ID:	ATS-24-992		
APD ID:	10400097554		
Sundry ID:			
Date APD Submitted:	N/a		
WELL NAME & NO.:	Grayling 14 Fed Com 602H		
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 1254'/W		
ATS/API ID:	ATS-24-1294		
APD ID:	10400097868		
Sundry ID:	N/a		
Date APD Submitted:	N/a		
WELL NAME & NO.:	Grayling 14 Fed Com 603H		
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 2178'/W		
ATS/API ID:	ATS-24-1293		
APD ID:	10400097869		
Sundry ID:	N/a		
Date APD Submitted:	N/a		
WELL NAME & NO.:	Grayling 14 Fed Com 604H		
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 2178'/E		
ATS/API ID:	ATS-24-844		
APD ID:	10400096971		
Sundry ID:	N/a		
Date APD Submitted:	N/a		
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WELL NAME & NO.:	Grayling 14 Fed Com 605H		
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 1254'/E		
ATS/API ID:	ATS-24-845		
APD ID:	10400096972		
Sundry ID:	N/a		
Date APD Submitted:	N/a		
	·		
WELL NAME & NO.:	Grayling 14 Fed Com 606H		
<b>BOTTOM HOLE FOOTAGE</b>	100'/N & 330'/E		
ATS/API ID:	ATS-24-847		
APD ID:	10400096973		
Sundry ID:	N/a		
Date APD Submitted:	N/a		
	1		

# COA

110 C			[]
H2S	Yes <u>–</u>		
Potash	None 🔽	None	
Cave/Karst Potential	Low		
Cave/Karst Potential	Critical		
Variance	C None	E Flex Hose	C Other
Wellhead	Conventional and Multibowl		
Other	□ 4 String	Capitan Reef	□WIPP
		Int 1 💌	
Other	Pilot Hole	C Open Annulus	
	None 🔻		
Cementing	Contingency Squeeze	Echo-Meter	Primary Cement
	None 🔻	None 🔫	Squeeze
	r		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

- 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 <u>8</u> <u>hours</u> 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.

# Approval Date: 12/10/2024

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- 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.

# **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.

**Approval Date: 12/10/2024** 

- 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. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

# **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 2<sup>nd</sup> 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.

### Approval Date: 12/10/2024

- 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 <u>8 hours</u>. 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. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. 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
- 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

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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) 7/19/2024

## PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

Variance request procedure is approved as written, please see below general conditions for variance.

#### **Offline Cementing**

Operator has been (Approved) to pump the proposed cement program offline in the Surface and intermediate(s) intervals.

Offline cementing should commence within 24 hours of landing the casing for the interval.

Notify the BLM 4hrs prior to cementing offline at Lea County: 575-689-5981.

## **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)

#### Eddy County

**EMAIL** or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,

**BLM\_NM\_CFO\_DrillingNotifications@BLM.GOV** (575) 361-2822

# 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 2<sup>nd</sup> 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.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a

digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

#### 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.
- <u>Wait on cement (WOC) for Potash Areas:</u> 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, 2) until cement has been in place at least <u>24 hours</u>. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. <u>Wait on cement (WOC) for Water Basin:</u> 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 <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity 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
- 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

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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 water basin (8 hours) or potash (24 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.

## 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.
- c. 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

John Harper, Vice President of Geoscience Braden Harris, Engineer	Office: (720) 746-5045 Mobile: (678) 988-6644 Mobile: (406) 600-3310
Local & County Agencies	
Maljamar Volunter Fire Department	911 or (575) 676-4100
Lea County Sheriff (Lovington) Lea County Emergency Management (Lovington) Lea Regional Medical Center Hopital (Hobbs)	911 or (575) 396-3611 (575) 396-8602 (575) 492-5000

### State Agencies

NM State Police (Hobbs)	(575) 392-5588
NM Oil Conservation (Hobbs)	(575) 370-3186
NM Oil Conservation (Santa Fe)	(505) 476-3440
NM Dept. of Transportation (Roswell)	(575) 637-7201



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## 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

## <u>Veterinarians</u>

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

## Residents within 2 miles

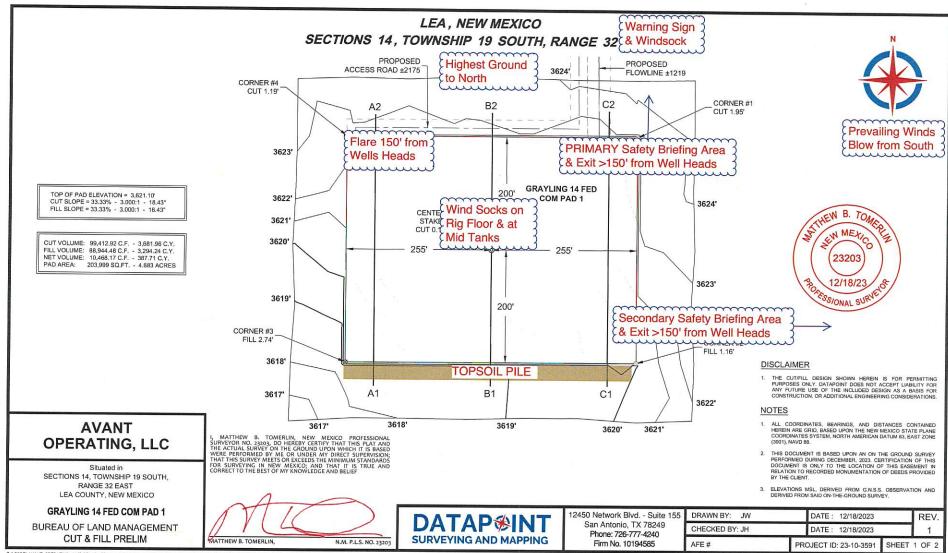
None

## Air Evacuation

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



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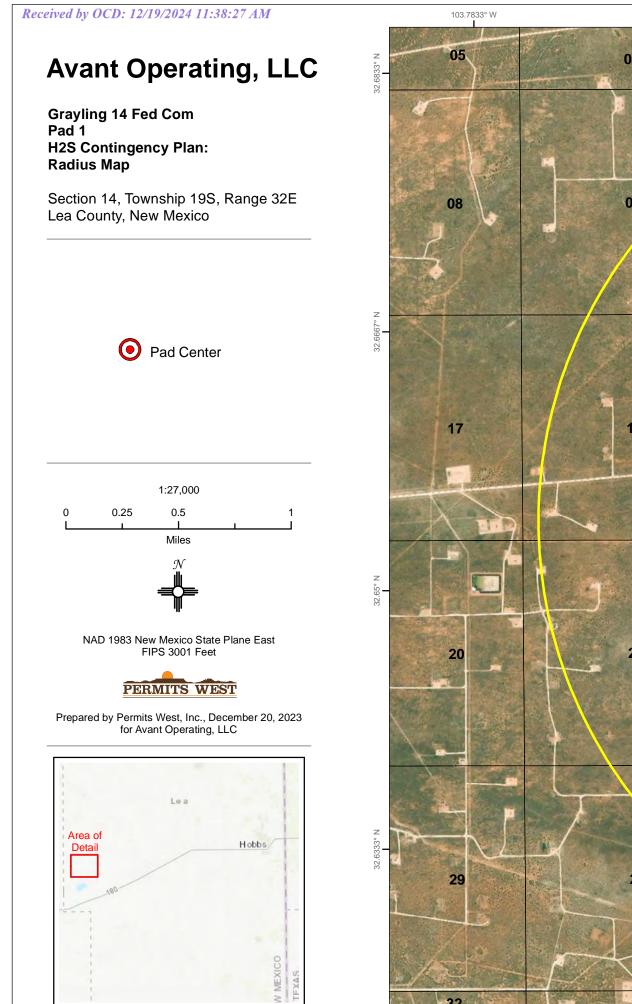
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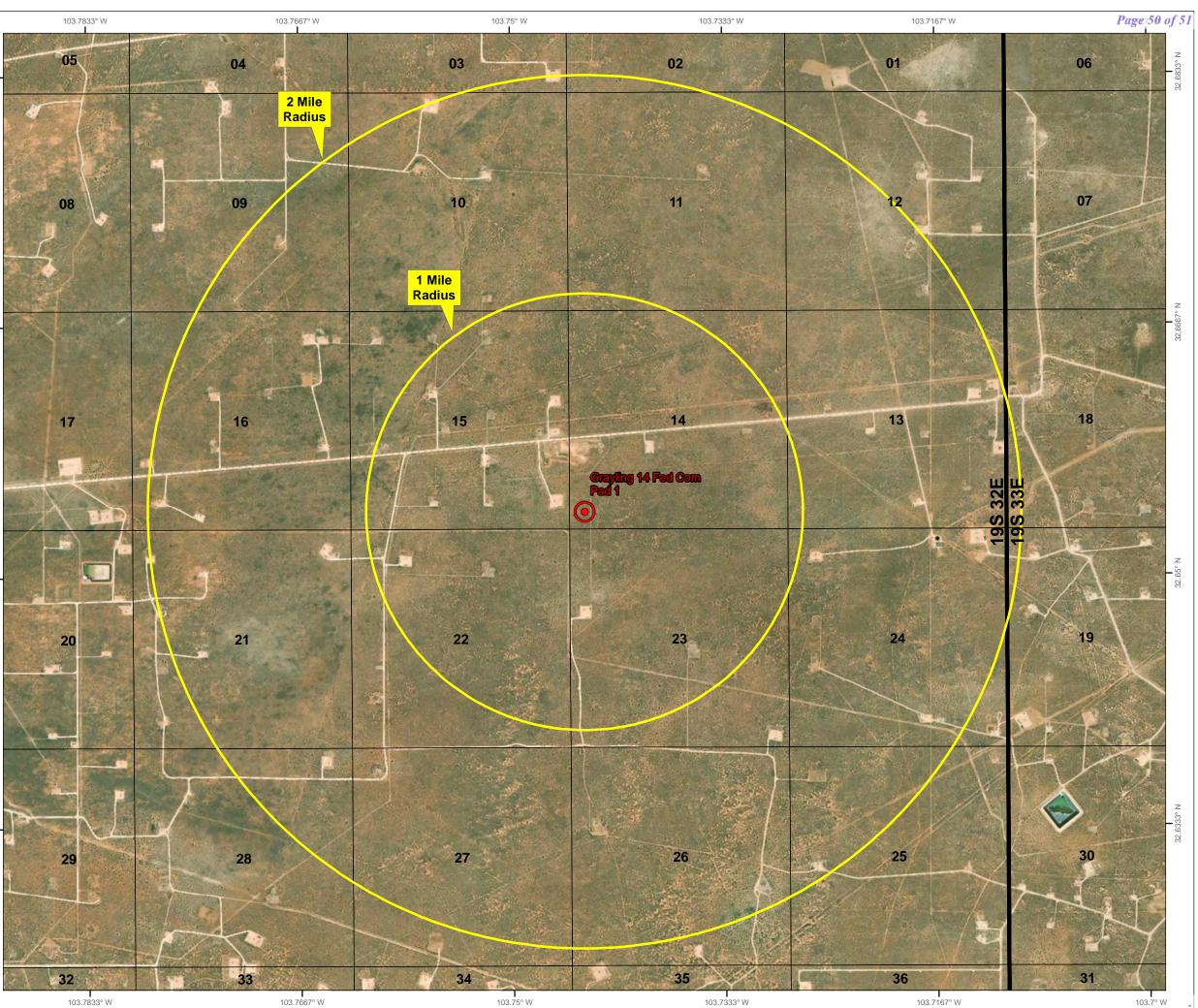
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Sante Fe Main Office Phone: (505) 476-3441

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

Operator:	OGRID:
Avant Operating, LLC	330396
1515 Wynkoop Street	Action Number:
Denver, CO 80202	413952
	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

CONDITIONS

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Action 413952