NSL - 8726

Revised March 23, 2017

03/04/24 REVIEWER: APP NO: pLEL2406458518 ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION



| - Geological & Enginee | ering Bureau – |
|--|--|
| 1220 South St. Francis Drive, So | anta Fe, NM 87505 |
| ADMINISTRATIVE APPLIC | ATION CHECKLIST |
| THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE AF REGULATIONS WHICH REQUIRE PROCESSING A | |
| KESSE THIS TO WHIST KE GOILE I NO SESSITION | |
| Applicant: Novo Oil & Gas Northern Delaware, LLC | OGRID Number: <u>372920</u> |
| Vell Name: Rana Salada 0605 Fed Com 202H | API: |
| Pool: Purple Sage; Wolfcamp | Pool Code: <u>98220</u> |
| | |
| SUBMIT ACCURATE AND COMPLETE INFORMATION RE INDICATED E | |
| 1) TYPE OF APPLICATION: Check those which apply for | or [A] |
| A. Location - Spacing Unit - Simultaneous Dedication | • • |
| | NSP (PRORATION UNIT) SD |
| | |
| B. Check one only for [I] or [II] | |
| [1] Commingling – Storage – Measurement □DHC □CTB □PLC □PC | □ols □olm |
| [II] Injection – Disposal – Pressure Increase – E | |
| · · · <u>-</u> · · · | TEOR TPPR |
| | FOR OCD ONLY |
| 2) NOTIFICATION REQUIRED TO: Check those which are | oply. Notice Complete |
| A. Offset operators or lease holders | |
| B. Royalty, overriding royalty owners, revenueC. Application requires published notice | Application |
| D Notification and/or concurrent approval b | v SI O |
| E. Notification and/or concurrent approval b | , I COUNTED |
| F. Surface owner | |
| G. For all of the above, proof of notification o | r publication is attached, and/or, |
| H. No notice required | |
| CERTIFICATION: I hereby certify that the information | submitted with this application for |
| administrative approval is accurate and complete | · |
| understand that no action will be taken on this app | |
| notifications are submitted to the Division. | |
| Note: Statement must be completed by an individua | with managerial and/or supervisory capacity. |
| Jaclyn M. McLean | |
| saciyi i metean | 03/04/2024 |
| Print or Type Name | Date |
| | 505-982-4554 |
| 1 10000000 | Phone Number |
| XIVXIVI | jmclean@hinklelawfirm.com |
| Signature () | e-mail Address |



HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

WRITER: Jaclyn M. McLean, Partner jmclean@hinklelawfirm.com

March 4, 2024

VIA ONLINE FILING

Dylan Fuge, Director Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Novo Oil & Gas Northern Delaware, LLC
Request for Administrative Approval of Unorthodox Well Location

Rana Salda 0605 Fed Com 202H N/2 of Section 6 and N/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico Purple Sage; Wolfcamp Pool (Code 98220)

Dear Mr. Fuge,

In accordance with Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC and applicable rules governing acreage and well location requirements for the Purple Sage; Wolfcamp Pool (Code 98220), Novo Oil & Gas Northern Delaware, LLC ("Novo") (OGRID No. 372920) seeks administrative approval of an unorthodox well location for its Rana Salada 0605 Fed Com 202H well, in a 636.09-acre, more or less, spacing unit underlying the N/2 of Section 6 and the N/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico.

The location for the **Rana Salada 0605 Fed Com 202H** well is as follows:

- Surface Hole Location: 2498' FNL and 360' FEL (Unit H) of Section 1
- First Take Point: 2310' FNL and 100' FWL (Unit E) of Section 6
- Last Take Point: 2310' FNL and 330' FEL (Unit H) of Section 5
- Bottom Hole Location: 2310' FNL and 330' FEL (Unit H) of Section 5

Since this acreage is governed by the Division's special pool rules included in Order No. R-14262, the completed interval for the well will be unorthodox because it is closer than 330' to the eastern boundary of the existing horizontal spacing unit. As explained in the engineering statements included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow Novo to use its preferred well spacing plan for horizontal wells in this area, which will maximize recovery and prevent waste.

March 4, 2024 Page 2

Exhibit B is a Form C-102 showing the Rana Salada 0605 Fed Com 202H well encroaches on the tracts to the west in the E/2 E/2 of Section 1, Township 23 South, Range 28 East.

Exhibit C is a plat for Sections 1 and 12 of Township 23 South, Range 28 East, and Sections 5 and 6 of Township 23 South, Range 29 East, that shows the Rana Salada 0605 Fed Com 202H well in relation to the adjoining tracts/proposed spacing units. The proposed designated operator of the offsetting unit is Novo.

Exhibit D is a spreadsheet that identifies all affected persons who were sent a copy of this application and attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Thank you for your attention to this matter. Please let me know if you require additional information.

Very truly yours,

/s/ Jaclyn M. McLean
Jaclyn M. McLean



300 N. MARIENFELD STREET, SUITE 1000 MIDLAND, TX 79701

OFFICE 432.695.4222 **FAX** 432.695.4063

2/28/2024

Re: Rana Salada Federal Com 0605 202H

FTP: 2310' FNL, 100' FWL of Section 6, T23S-R29E **LTP:** 2310' FNL, 330' FEL of Section 5, T23S-R29E

Eddy County, New Mexico

To Whom It May Concern,

Novo Oil and Gas Northern Delaware, LLC, as a wholly-owned subsidiary of Permian Resources Operating, LLC ("Permian") respectfully requests administrative approval of a non-standard location for the Rana Salada Federal Com 0605 #202H to allow the completed interval to be less than 330 feet from the western boundary of the existing 479.72-acre horizontal spacing unit. Due to common ownership and operational efficiencies, approval of a non-standard location will allow for optimal recovery of resource, thus preventing waste and protecting correlative rights. Permian requests approval of this non-standard location to avoid causing wasted resources and reducing the production of the wells listed above.

Sincerely,

Benedikt Scheifele

Benedikt Scheifele

Asset Team Lead

Permian Resources Operating, LLC

District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II

636.09

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District IIII</u> 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

X AMENDED REPORT

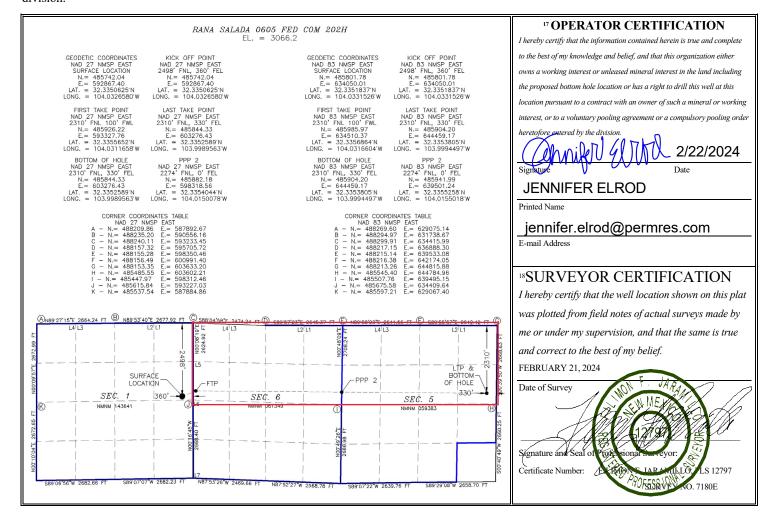
WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | | ² Pool Code ³ Pool Name | | |
|----------------------------|----|---|-----------------------|--------------------------|
| 30-015-4816 | 62 | 98220 | PURPLE SAGE; WOLFCAMP | |
| ⁴ Property Code | | ⁵ Property Name | | ⁶ Well Number |
| 325746 | | RANA SALADA FED COM 0605 | | 202H |
| ⁷ OGRID No. | | ⁸ Operator Name | | ⁹ Elevation |
| 372920 | | NOVO OIL & GAS NORTHERN DELAWARE, LLC | | 3066.2 |

¹⁰ Surface Location

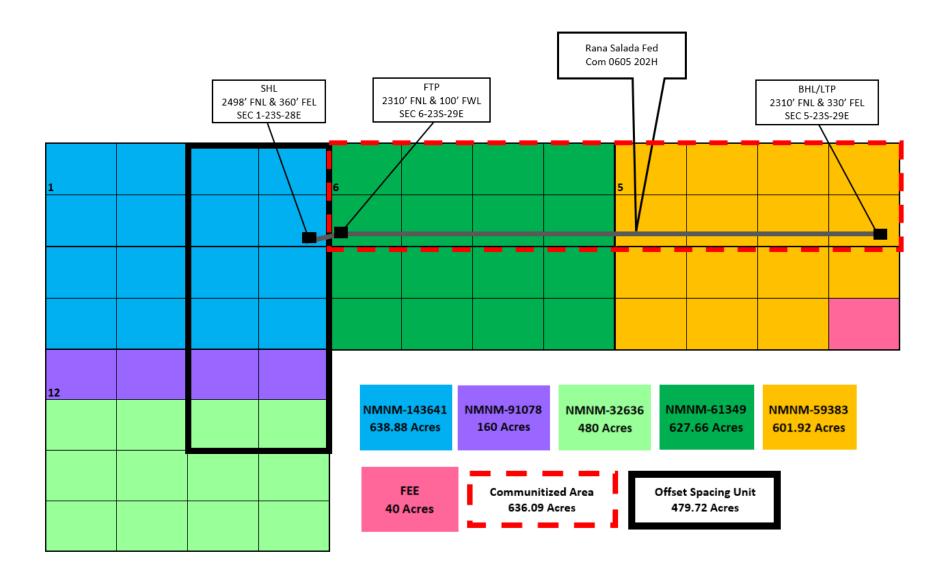
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-------------------|--|-----------|---------------|---------|---------------|------------------|---------------|----------------|--------|
| H | 1 | 23 S | 28 E | | 2498 | NORTH | 360 | EAST | EDDY |
| | ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| H | 5 | 23 S | 29 E | | 2310 | NORTH | 330 | EAST | EDDY |
| 12 Dedicated Acre | es 13 Joint | or Infill | Consolidation | n Code | | | 15 Order No. | | |

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



Rana Salada Federal Com 0605 202H NSL Map

N/2 of Section 6, T23S-R29E and N/2 of Section 5, T23S-R29E, Eddy County, New Mexico (containing 636.09 acres, more or less)



Rana Salada 0605 Federal Com 202H NSL Notification

N/2 of Section 6, T23S-R29E and N/2 of Section 5, T23S-R29E, Eddy County, New Mexico (containing 636.09 acres, more or less)

Offset Proration Unit: E/2 of Section 1, T23S-R28E and NE/4 of Section 12, T23S-R28E, Eddy Co., NM (containing 479.72 acres, more or less)

Notification Tracts:

| Tract 1: E/2 of Section 1, T23S-R28E | | | | | |
|--|--|------------|------------|--|--|
| Owner Type Affected Party WI Percentage Date of Notices Sent | | | | | |
| WI Owner/Operator | Novo Oil and Gas Northern Delaware LLC | 60.064658% | 03/04/2024 | | |
| WI Owner | Northern Oil and Gas Inc | 30.032329% | 03/04/2024 | | |
| WI Owner | WPX Energy Permian LLC | 9.903013% | 03/04/2024 | | |

| Tract 2: N/2 NE/4 of Section 12, T23S-R28E | | | | | |
|--|--|------------|------------|--|--|
| Owner Type Affected Party WI Percentage Date of Notices Sent | | | | | |
| WI Owner/Operator | Novo Oil and Gas Northern Delaware LLC | 60.064658% | 03/04/2024 | | |
| WI Owner | Northern Oil and Gas Inc | 30.032329% | 03/04/2024 | | |
| WI Owner | WPX Energy Permian LLC | 9.903013% | 03/04/2024 | | |

| Tract 3: S/2 NE/4 of Section 12, T23S-R28E | | | | | |
|--|--|---------------|----------------------|--|--|
| Owner Type | Affected Party | WI Percentage | Date of Notices Sent | | |
| WI Owner/Operator | Novo Oil and Gas Northern Delaware LLC | 60.064658% | 03/04/2024 | | |
| WI Owner | Northern Oil and Gas Inc | 30.032329% | 03/04/2024 | | |
| WI Owner | WPX Energy Permian LLC | 9.903013% | 03/04/2024 | | |

This interest was contractually agreed upon through Joint Operating Agreements between all working interest owners.

EXHIBIT D

| Owner Information - 0605 N Unit | | | | | |
|---------------------------------|--|---------------|----------------------|--|--|
| Owner Type | Affected Party | WI Percentage | Date of Notices Sent | | |
| WI Owner/Operator | Novo Oil and Gas Northern Delaware LLC | 55.800689% | 03/04/2024 | | |
| WI Owner | Northern Oil and Gas Inc | 27.900344% | 03/04/2024 | | |
| WI Owner | WPX Energy Permian LLC | 16.298967% | 03/04/2024 | | |

Compiled Owners and Addresses:

| Compiled Owner Information | | | | | |
|----------------------------|--|--|--|--|--|
| Owner Type | Affected Party | Mailing Address | | | |
| WI Owner/Operator | Novo Oil and Gas Northern Delaware LLC | 1400 Woodloch Forest Drive, Suite 300, The Woodlands, TX 77380 | | | |
| WI Owner | Northern Oil and Gas Inc | 1350 Baker Road, Suite 400, Minnetonka, MN 55343 | | | |
| WI Owner | WPX Energy Permian LLC | 333 West Sheridan Avenue, Oklahoma City, OK 73102 | | | |
| Mineral Interest | Bureau of Land Management | 301 Dinosaur Trail, Santa Fe, NM 87508 | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

State of New Mexico

CONDITIONS

Action 319834

CONDITIONS

| Operator: | OGRID: |
|----------------------------------|--------------------------------------|
| Permian Resources Operating, LLC | 372165 |
| 300 N. Marienfeld St Ste 1000 | Action Number: |
| Midland, TX 79701 | 319834 |
| | Action Type: |
| | [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|-----------|-------------------|
| llowe | None | 3/4/2024 |