

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Deputy Secretary – Designate

Ben Shelton
Deputy Secretary (Acting)

Gerasimos “Gerry” Razatos
Division Director (Acting)
Oil Conservation Division



Ms. Jaclyn M. Mclean
jmclean@hinklelawfirm.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8796

**Novo Oil & Gas Northern Delaware, LLC [OGRID 372920]
Rana Picante 12 Federal Com Well No. 412H
API No. 30-015-54289**

Reference is made to your application received on August 19th, 2024.

Proposed Location

| | Footages | Unit/Lot | Sec. | Twsp | Range | County |
|------------------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 1687 FNL & 362 FWL | E | 12 | 23S | 28E | Eddy |
| First Take Point | 1420 FNL & 100 FWL | E | 12 | 23S | 28E | Eddy |
| Last Take Point/ Terminus | 1420 FNL & 180 FEL | H | 12 | 23S | 28E | Eddy |

Proposed Horizontal Gas Units

| Description | Acres | Pool | Pool Code |
|--------------------|--------------|----------------------------|------------------|
| N/2 of Section 12 | 320 | Purple Sage; Wolfcamp, Gas | 98220 |

You have requested to complete this horizontal well as a **gas** well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre **gas** spacing unit.

Administrative Order NSL - 8796
Novo Oil & Gas Northern Delaware, LLC
Page 2 of 2

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The well's completed interval is as close as 100 feet to the western boundary and 180 feet to the eastern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 11, T23S, R28E, encroachment to the NE/4
Section 07, encroachment to the NW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to minimize direct contact with the reservoir in the unit, reducing stranded resources, accelerating recovery time, and improving overall productivity within the Wolfcamp formation underlying the N/2 of Section 12, in order to maximize recovery and preventing waste.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



Gerasimos Razatos
Division Director (Acting)
GR/lrl

Date: 10/23/24

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

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

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

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

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

CONDITIONS

Action 397633

CONDITIONS

| | |
|--|--|
| Operator: NOVO OIL & GAS NORTHERN DELAWARE, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701 | OGRID: 372920 |
| | Action Number: 397633 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 10/30/2024 |