STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF NOVO OIL AND GAS NORTHERN DELAWARE, LLC, WHOLLY OWNED SUBSIDIARY OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16283

AFFIDAVIT OF NOTICE

COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

Candace Callahan, being duly sworn upon her oath, deposes and states:

- 1. I am over the age of 18 and have personal knowledge of the matters stated herein.
- 2. I am an attorney for Novo Oil and Gas Northern Delaware, LLC, a wholly owned subsidiary of Novo Oil & Gas, LLC.
- 3. Applicant has conducted in good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
- 4. Notice of the application was provided to the interest owners, at their correct addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.

5. Applicant has complied with the notice provisions of Form C-108 and Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

Candace Callahan

SUBSCRIBED AND SWORN TO before me this 8th day of August, 2018 by Candace Callahan.

My Commission Expires:

Notary Public

OFFICIAL SEAL
MARCOS ZUBIA
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires:

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW

500 DON GASPAR AVENUE SANTA FE, NEW MEXICO87505-2626 TELEPHONE (505) 983-8545 FACSIMILE (505) 983-8547 www.bwenergylaw.com

CASPER

CHEYENNE

DENVER

SALT LAKE CITY

SANTA FE

CANDACE CALLAHAN

DIRECT: (505) 983-8764

E-MAIL: CCALLAHAN@BWENERGYLAW.COM

June 21, 2018

VIA CERTIFIED MAIL-RETURN RECEIPT

To: Pooled Parties

Re: New Mexico Oil Conservation Division Application for Non-Standard Spacing and Proration

Unit and Compulsory Pooling, Case No. 16283 Rana Salada Fed Com 6 4 23S 29E 3B #2H well

Dear Ladies and Gentlemen:

This letter is to advise you that Novo Oil & Gas, LLC has filed the enclosed application for non-standard spacing and compulsory pooling with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on July 12, 2018. The hearing will be held in the Oil Conservation Division's Santa Fe Offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an interest owner in the well unit you may be affected by this application, and you may appear and present testimony. Failure to appear at that time and become a part of record will preclude you from challenging the matter at a later date.

A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a Pre-Hearing Statement four days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address and should include: the names of the party and its attorney; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned and to the persons listed on Exhibit A.

If you have any questions about this matter, please contact Brandon Patrick at 405-609-1740 or bpatrick@novoog.com.

Very truly yours,

Candace Callahan

Attorney for Novo Oil & Gas, LLC

Exhibit A

XTO Energy, Inc. 810 Houston Street, WTW 1912 Fort Worth, Texas 76102 Attention: Kenneth Hilger

EOG Y Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attention: Charles Moran

EOG A Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attention: Charles Moran

EOG M Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attention: Charles Moran

CTV O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102

LMB1 O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102

THRU LINE O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102

SRB1 O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102

Keystone O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102

OXY Y-1 Company P. O. Box 27570 Houston, TX 77227 Attention: Jeremy Murphrey

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON D	ELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mallpiece, or on the front if space permits. 1. Article Addressed to: 	B. Beceived by (Printed Name) D. Is delivery address different from If YES, enter delivery address b	C. Date of Delivery UN 2 5 2018 Item 1?
XTO Energy, Inc. 810 Houston Street, WTW 1912 Fort Worth, Texas 76102 Attention: Kenneth Hilger	04	
9590 9402 3134 7166 5453 26 2. Article Number (Transfer from service label) 7017 3380 0000 4382 月2月	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail Certified Mail Restricted Delivery Collect on Delivery Adil Adil Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricts Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery

먐	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
긤	For delivery information, visit our website at www.usps.com	****
г	OFFICIAL USE	
ш	Certified Mail Fee	
438		
_	Extra Services & Fees (check box, add fee as appropriate)	
	Return Receipt (hardcopy) Return Receipt (electronic) Postmark	
0000	Certified Mall Restricted Delivery \$	
日	Adult Signature Required \$	
	Adult Signature Nestricted Servery	
3380	Postage	
m	9416-0004	
m	XTO Energy, Inc.	
1	810 Houston Street, WTW 1912	
7017	Fort Worth, Texas 76102	
K	Attention: Kenneth Hilger	
	5	
	Sec neverse for in	structions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete Items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X Deed Addressee B. Received by (Printed Name) C. Date of Delivery,
1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
EOG Y Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attention: Charles Moran	øy
9590 9402 3134 7166 5453 19 2. Article Number (Transfer from service label) 7 0 1 7 3380 0000 4382 528	3. Service Type
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

8-3	U.S. Postal Service™ CERTIFIED MAIL® REC Domestic Mail Only	EIPT
2 72	For delivery information, visit our website	at www.usps.com [®] .
380 0000 438	Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery \$ Postage \$	Postmark Here 9416-0004
7017 3	EOG Y Resources, Inc. 500 5509 Champions Drive Sir Midland, Texas 79706 Attention: Charles Moran City PS Form 3800, April 2013 PSN 7530-02-000-0047	See Heverse for Instructions

USPS Tracking®

FAQs > (http://faq.usps.com/?articleId=220900)

Track Another Package +

Tracking Number: 70173380000043829272

Remove X

Your item was picked up at a postal facility at 7:35 am on June 26, 2018 in MIDLAND, TX 79701.

⊘ Delivered	75	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only	EIPT	
June 26, 2018 at 7:35 am Delivered, Individual Picked Up at Postal Facility MIDLAND, TX 79701	4382 92	For delivery information, visit our website OFFICAL Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate)	at www.usps.com [®] . USE	ý
Get Updates ✓	0000	☐ Return Receipt (hardcopy) \$ ☐ Return Receipt (electronic) \$ ☐ Certified Mall Restricted Delivery \$ ☐ Adult Signature Required \$ ☐ Adult Signature Restricted Delivery \$ Postage	Postmark Here	
Text & Email Updates	17 338	\$ Total F \$ EOG A Resources, Inc. 5509 Champions Drive	9416-0004	3
Tracking History	712	Street Midland, Texas 79706 City, s Attention: Charles Moran	oce neverse for instructions	
Product Information			~	

See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs (http://faq.usps.com/?articleId=220900)

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X. Colentary Addressee B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from Item 1? Yes If YES, enter delivery address below:
EOG M Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attention: Charles Moran	oy
9590 9402 3134 7166 5453 02 2. Article Number (Transfer from service label)	3. Service Type □ Adult \$Ignature □ Adult \$Ignature Restricted Delivery □ Certified Mail® □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation
7017 3380 0000 4382 726	i i i i i i i i i i i i i i i i i i i
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

L 5	U.S. Postal Serv CERTIFIED M Domestic Mail Only			CEIPT	
김	For delivery information,	visit ou	ır web	site at www.us	sps.com®.
유민	Certified Mail Fee	CI	A	L U	SE
436	\$				
h 0000	Extra Services & Fees (check box, & Return Receipt (hardcopy) Return Receipt (electronic) Certified Mall Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery	\$ \$ \$	appropria	_	ostmark Here
3380	Postage EOG M Resources, Inc.			9416-0004	
7017	5509 Champions Drive Midland, Texas 79706 Attention: Charles Moral	1			
	DS Form 2000 April 2005				

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete Items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malipiece, or on the front if space permits. 	A. Signature X
1. Article Addressed to:	D. Is delivery address different from Item 1? Yes
CTV O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102	If YES, enter delivery address below: □ No
	3. Service Type □ Priority Mail Express® □ Registered Mail™ □ Registered Mail™ □ Registered Mail Restricted
9590 9402 3134 7166 5452 89	☐ Certified Mail® Delivery ☐ Collect on Delivery ☐ Receipt for Merchandise
2. Article Number (Transfer from service label) 7017 3380 0000 4382 1258	☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation ☐
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

58	U.S. Postal Service™ CERTIFIED MAIL® RECI Domestic Mail Only	EIPT
김	For delivery information, visit our website a	at www.usps.com®.
ru .	OFFICIAL	USE
4385	Certified Mail Fee	*
h 0000	Extra Services & Fees (check box, add fee as appropriate) Return Receipt (electronic) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery \$	Postmark Here
3380	Postage	416-0004
7017	201 Main Street, Suite 2700 Fort Worth, TX 76102	
	PS-FORM-S800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIV	ERY .
Complete Items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. 1. Article Addressed to: 9416-0004 LMB1 O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102	A. Signature M. M	Agent Addressee Addressee Date of Delivery S 7 (17) Yes No
9590 9402 3134 7166 5452 72 2. Article Number (Transfer from service label) 7017 3380 0000 4382 724	Adult Signature	ority Mall Express® glstered Mall™ glstered Mall Restricted livery turn Receipt for srchandise gnature Confirmation™ gnature Confirmation stricted Delivery

1 T	U.S. Postal Service™ CERTIFIED MAIL® REC Domestic Mail Only	EIPT
띰	For delivery information, visit our website	at www.usps.com®.
무	OFFICIAL Certified Mall Fee	USE
Ę,	\$	
0000	Extra Services & Fees (check box, add fee as appropriate) Return Receipt (herdcopy) Return Receipt (electronic) Certified Mall Restricted Delivery \$ Adult Signature Required Adult Signature Restricted Delivery \$	Postmark Here
	Postage	
3380	\$ Tote	9416-0004
17	\$ LMB1 O&G NM, LLC Sen 201 Main Street, Suite 2700	
7017	Sire Fort Worth, TX 76102	
17501	City,	
	PS A 2000, April 2013 1 314 7330-02-000-1047	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malipiece, or on the front if space permits. 	A. Signature X M J Agent D Addressee B. Received by (Printed Name) C. Date of Delivery JUN 2 5 2017
1. Article Addressed to:	D. Is delivery address different from Item 1? Yes
THRU LINE O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102	If YES, enter delivery address below:
	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Registered Mail Restricted Delivery
9590 9402 3134 7166 5452 65	☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise
2. Article Number (Transfer from service label)	☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation
7017 3380 0000 4382 923	Postdeted Dellicent
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

ЭЧ	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail*Only		
김	For delivery information, visit our website at www.usps.com®.		
LTI	OFFICIAL	USE	
438	Certified Mail Fee		
1 0000	Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) \$	Postmark Here	
3380	Postage \$ T THRU LINE O&G NM, LLC	9416-0004	
7017	\$ 201 Main Street, Suite 2700 Fort Worth, TX 76102		
	à		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
 Complete Items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. 	A. Signature Agent Addressee B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery	
Article Addressed to:	D. Is delivery address different from Item 1? Yes If YES, enter delivery address below:	
9416-0004 SRB1 O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102	Land Dept. Loc. 115 22777 Springwoods Village Pkway Spring, TX 77389-1425	
9590 9402 3134 7166 5452 58	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation™	
2. Article Number (Transfer from service label) 7017 3380 0000 4382 922	Signature Confirmation	
PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt		

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only		
For delivery information, visit our website at www.usps.com®.		
E		
nark		
гө		
9		
•••••		
or Instructions		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mallpiece, or on the front if space permits. Article Addressed to: 	A. Signature X
Keystone O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
9590 9402 3134 7166 5452 41 2. Article Number (Transfer from service label) 7017 3380 0000 4382 521	3. Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Adult Signature Confirmation* Signature Confirmation* Signature Confirmation* Restricted Delivery Restricted Delivery Registered Mail Restricted Delivery Registered Mail Restricted Delivery Registered Mail Restricted Delivery Signature Confirmation* Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

11	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only		
出	For delivery information, visi	it our websit	e at www.usps.com®.
E L	OFFIC Certified Mail Fee	IAL	USE
0000	S	e as appropriate)	Postmark Here
EEE K	Postage \$ Xeystone O&G NM, LLC 01 Main Street, Suite 2700 Fort Worth, TX 76102	94	16-0004
	1 - 3 1 - 3 1 1 1 2 3 1 3 1 3 1 3 1 3 1 3 1 3 1 3	02-000-9047	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you.	A. Signature X
Attach this card to the back of the malipiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to: 9416-0004	D. Is delivery address different from item 1? es If YES, enter contract address before the No
OXY Y-1 Company P. O. Box 27570 Houston, TX 77227 Attention: Jeremy Murphrey	JAMES BEARD
9590 9402 3134 7166 5452 34	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery
2. Article Number (Transfer from service (abel) 7017 3380 0000 4382 520	□ Collect on Delivery Restricted Delivery □ Signature Confirmation □ Signature Confirmation □ Signature Confirmation
PS Form 3811, July 2016 PSN 7530-02-000-9053	Domestic Return Receipt

	U.S. Postal Service		
	CERTIFIED MAIL	® RECEIP	T
	Domestic Mail Only		
9203	For delivery information, visit	our website at ww	w.usps.com®.
LП	OFFIC	IAL I	JSE
口口	Certified Mail Fee	E7 40 VIL EASING V	The second
33&0 0000 43	\$ Extra Services & Fees (check box, add fee at Return Receipt (nardcopy) \$ Return Receipt (nardcopy) \$ Certified Mail Restricted Delivery \$ Adult Signature Required \$ Adult Signature Restricted Delivery \$ Postage \$		Postmark Here
	S OXY Y-1 Company		
7017	Se P. O. Box 27570		
\Box	Houston, TX 77227		
L ~	Attention: Jeremy Murphre	у	
	DS		Abstrations

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW

500 Don Gaspar Avenue Santa Fe, New Mexico87505-2626 Telephone (505) 983-8545 Facsimile (505) 983-8547 www.bwenergylaw.com CASPER
DENVER

SALT LAKE CITY

SANTA FE

CANDACE CALLAHAN

DIRECT: (505) 983-8764

E-MAIL: CCALLAHAN@BWENERGYLAW.COM

June 21, 2018

VIA CERTIFIED MAIL-RETURN RECEIPT

To: Affected Parties and Offsetting Lessees and Operators

Re: New Mexico Oil Conservation Division Application for Non-Standard Spacing and Proration

Unit and Compulsory Pooling, Case No. 16283
Rana Salada Fed Com 6 4 23S 29E 3B #2H well

Dear Ladies and Gentlemen:

This letter is to advise you that Novo Oil & Gas, LLC has filed the enclosed application for non-standard spacing and compulsory pooling with the New Mexico Oil Conservation Division. Your interests are not being pooled under this application, but as a lessee or operator in an offsetting tract or a tract affected by the non-standard spacing unit, you are entitled to notice of this application.

This application will be set for hearing before a Division Examiner at 8:15 a.m. on July 12, 2018. The hearing will be held in the Oil Conservation Division's Santa Fe Offices located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a part of record will preclude you from challenging the matter at a later date.

A party appearing in a Division case is required by Division Rule 19.15.4.13:B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office four days in advance of a scheduled hearing. This statement must be filed with the Division's Santa Fe office at the above address and should include: the names of the party and its attorney; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned and to the persons listed on Exhibit A.

If you have any questions about this matter, please contact Brandon Patrick at 405-609-1740 or bpatrick@novoog.com.

Very truly yours,

Candace Callahan

Attorney for Novo Oil & Gas, LLC