# BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 3, 2020

## CASE NOS. 21549 & 21550

Ovation Fed Com 1318 131-132H Wells
Ovation Fed Com 1318 135H Well
Ovation Fed Com 1318 211H-212H Wells
Ovation Fed Com 1318 215H Well
Ovation Fed Com 1318 221H-222H Wells
Ovation Fed Com 1318 225H Well
Ovation Fed Com 1318 231H-232H Wells
Ovation Fed Com 1318 235H Well

## Eddy County, New Mexico



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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21092, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21549** 

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21093, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21550** 

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- Novo Exhibit F: Affidavit of Publication for each case

## COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

## ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21549	APPLICANT'S RESPONSE					
Date December 3, 2020						
Applicant	Novo Oil & Gas Northern Delaware, LLC					
Designated Operator & OGRID (affiliation if applicable)	372920					
Applicant's Counsel:	Holland & Hart, LLP					
Case Title	Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21092, Eddy County, New Mexico					
Entries of Appearance/Intervenors:	None					
Well Family	Ovation Fed Com 1318 wells					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	Bone Spring formation					
Pool Names and Pool Codes:	Culebra Bluff; Bone Spring, South (Pool code 15011)					
Well Location Setback Rules:	Statewide rules					
Spacing Unit Size:	635.4-acres, more or less					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	635.4-acres, more or less					
Building Blocks:	Quarter-Quarter sections					
Orientation:	West/East					
Description: TRS/County	N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes					
Other Situations						
Depth Severance: Y/N. If yes, description	No					
Proximity Tracts: If yes, description	Yes					
Proximity Defining Well: if yes, description	Ovation Fed Com 1318 #132H Well will remain					
BEFORE THE OIL CONSERVATION DIVISION  Santa Fe, New Mexico Exhibit No. A  Submitted by: Novo Oil & Gas Northern Delaware LLC Hearing Date: December 3, 2020 Case Nos. 21549-21550	within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18					
Applicant's Ownership in Each Tract	Exhibit C-3					

Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Ovation Federal Com 1318 well #131H (API No. 30-015-Pending) SHL:798 feet from the North line and 365 feet from the East line,
	(Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:726 feet from the North line and 10 feet from the East line,
	(Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.
	Completion Target: Bone Spring Well Orientation:West to East
	Completion Location expected to be:standard
Well #2	Ovation Federal Com 1318 well #132H (API No. 30-015-Pending) SHL:833 feet from the North line and 345 feet from the East line,
	(Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1518 feet from the North line and 10 feet from the East line,
	(Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.
	Completion Target: Bone Spring
	Well Orientation:West to East  Completion Location expected to be:proximity tract well
Well #3	Ovation Federal Com 1318 well #135H (API No. 30-015-Pending)
	SHL:1427 feet from the North line and 501 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM.
	BHL:2310 feet from the North line and 10 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.
	Completion Target: Bone Spring
	Well Orientation:West to East Completion Location expected to be:standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Toyot (Forestine TVD and \$40)	Evhibit C.C. D.1. D.C.
Completion Target (Formation, TVD and MD)	Exhibit C-6, D-1, D-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	
	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F

Land Ownership Schematic of the Spacing Unit	Exhibits C-3, C-4, C-5			
Tract List (including lease numbers and owners)	Exhibits C-3, C-4, C-5			
Pooled Parties (including ownership type)	Exhibits C-3, C-4, C-5			
Unlocatable Parties to be Pooled	N/A			
Ownership Depth Severance (including percentage above & below	v) N/A			
Joinder				
Sample Copy of Proposal Letter	Exhibit C-6			
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-3, C-4			
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7			
Overhead Rates In Proposal Letter	Exhibit C-6			
Cost Estimate to Drill and Complete	Exhibit C-6			
Cost Estimate to Equip Well	Exhibit C-6			
Cost Estimate for Production Facilities	Exhibit C-6			
Geology				
Summary (including special considerations)	Exhibits D, D-1			
Spacing Unit Schematic	Exhibit D-1			
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1			
Well Orientation (with rationale)	Exhibits D, D-1			
Target Formation	Exhibit D			
HSU Cross Section	Exhibit D-6			
Depth Severance Discussion	N/A			
Forms, Figures and Tables				
C-102	Exhibit C-1			
Tracts	Exhibits C-3, C-4, C-5			
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3, C-4, C-5			
General Location Map (including basin)	Exhibit C-1			
Well Bore Location Map	Exhibit D-1			
Structure Contour Map - Subsea Depth	Exhibit D-2			
Cross Section Location Map (including wells)	Exhibit D-6			
Cross Section (including Landing Zone)	Exhibit D-6			
Additional Information				
Special Provisions/Stipulations	N/A			
CERTIFICATION: I hereby certify that the information provi	ded in this checklist is complete and accurate.			
Duinted Name (Attours of Boots	Mathles A. Luck			
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck			
Signed Name (Attorney or Party Representative):	- NAAJVIII			

Case: 21550	APPLICANT'S RESPONSE
	AFFLICANT 3 RESPONSE
Date December 3, 2020	Neva Oil 9 Cas Northern Delaware LLC
Applicant  Posignated Operator & OCRID (affiliation if applicable)	Novo Oil & Gas Northern Delaware, LLC 372920
Designated Operator & OGRID (affiliation if applicable)	
Applicant's Counsel:  Case Title	Holland & Hart, LLP Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21093, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Ovation Fed Com 1318 wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Names and Pool Codes:	Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	640-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres, more or less
Building Blocks:	Half sections
Orientation:	West/East
Description: TRS/County	N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)  Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	
Well #1	Ovation Federal Com 1318 well #211H (API No. 30-015-Pending) SHL:780 feet from the North line and 375 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:330 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard

Vell#2	Ovation Federal Com 1318 well #212H (API No. 30-015-Pending) SHL:833 feet from the North line and 345 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1122 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East
Well #3	Completion Location expected to be:standard  Ovation Federal Com 1318 well #215H (API No. 30-015-Pending) SHL:1393 feet from the North line and 521 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1914 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Nell #4	Ovation Federal Com 1318 well #221H (API No. 30-015-Pending) SHL:815 feet from the North line and 355 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:726 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Well #5	Ovation Federal Com 1318 well #222H (API No. 30-015-Pending) SHL:850 feet from the North line and 336 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1518 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Well #6	Ovation Federal Com 1318 well #225H (API No. 30-015-Pending) SHL:1410 feet from the North line and 511 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:2310 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Well #7	Ovation Federal Com 1318 well #231H (API No. 30-015-Pending) SHL:710 feet from the North line and 415 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:330 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Vell #8	Ovation Federal Com 1318 well #232H (API No. 30-015-Pending) SHL:744 feet from the North line and 395 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1122 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Well #9	Ovation Federal Com 1318 well #235H (API No. 30-015-Pending) SHL:1523 feet from the North line and 733 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1914 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.  Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard
Horizontal Well First and Last Take Points	Exhibit C-2

Signed Name (Attorney or Party Representative):	thinkel!			
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck			
CERTIFICATION: I hereby certify that the information provided	in this checklist is complete and accurate.			
Special Provisions/Stipulations	N/A			
Additional Information				
Cross Section (including Landing Zone)	Exhibit D-6			
Cross Section Location Map (including wells)	Exhibit D-6			
Structure Contour Map - Subsea Depth	Exhibits D-3, D-4, D-5			
Well Bore Location Map	Exhibit D-1			
General Location Map (including basin)	Exhibit C-1			
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3, C-4, C-5			
Tracts	Exhibits C-3, C-4, C-5			
C-102	Exhibit C-1			
Forms, Figures and Tables				
Depth Severance Discussion	N/A			
HSU Cross Section	Exhibit D-6			
Target Formation	Exhibit D			
Well Orientation (with rationale)	Exhibits D, D-1			
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1			
Spacing Unit Schematic	Exhibit D-1			
Summary (including special considerations)	Exhibits D, D-1			
Geology				
Cost Estimate for Production Facilities	Exhibit C-6			
Cost Estimate to Equip Well	Exhibit C-6			
Cost Estimate to Drill and Complete	Exhibit C-6			
Overhead Rates In Proposal Letter	Exhibit C-6			
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7			
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-3, C-4			
Sample Copy of Proposal Letter	Exhibit C-6			
Joinder				
Ownership Depth Severance (including percentage above & below)	N/A			
Unlocatable Parties to be Pooled	N/A			
Pooled Parties (including ownership type)	Exhibits C-3, C-4, C-5			
Tract List (including lease numbers and owners)	Exhibits C-3, C-4, C-5			
Land Ownership Schematic of the Spacing Unit	Exhibits C-3, C-4, C-5			
Ownership Determination				
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F			
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E			
Proposed Notice of Hearing	Exhibit B			
Notice of Hearing				
Requested Risk Charge	200%			
Justification for Supervision Costs	Exhibit C, C-5			
Production Supervision/Month \$	\$800			
Drilling Supervision/Month \$	\$8,000			
AFE Capex and Operating Costs				
completion raiget (Formation, 190 and 1910)	EXHIBIT C-0, D-1, D-0			
Completion Target (Formation, TVD and MD)	Exhibit C-6, D-1, D-6			

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

**OIL CONSERVATION DIVISION** 

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC

TO AMEND ORDER R-21092,

EDDY COUNTY, NEW MEXICO.

**CASE NO.** 21549

**APPLICATION** 

Novo Oil & Gas Northern Delaware, LLC ("Novo" or "Applicant") (OGRID No. 372920),

through its undersigned attorneys, hereby files this application with the Oil Conservation Division

pursuant to the provisions of NMSA 1978, § 70-2-17, to amend Order R-21092 for a standard

635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23

South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section

18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of its

application, Novo states:

Order R-21092, entered on February 12, 2020, in Case No. 20886, created

a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13,

Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Unit"),

designated Applicant as the operator of the Unit, pooled the uncommitted interests in the

Bone Spring formation [Culebra Bluff; Bone Spring Pool (15011)] in the Unit, and

dedicated the Unit to the proposed initial wells.

2. Since the entry of Order R-21092, Applicant has determined that it is prudent to

include the N/2 equivalent of irregular Section 18 into this standard horizontal spacing unit to

allow for the drilling of 2-mile wells.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

- 3. As provided in Order R-21092, Applicant seeks to dedicate the above-referenced horizontal spacing unit to these proposed initial wells:
  - The **Ovation Fed Com 1318 #131H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18;
  - The **Ovation Fed Com 1318 #132H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
  - The **Ovation Fed Com 1318 #135H Well** to be horizontally drilled from a surface location in the E/2 NE/4 of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18.
- 3. The completed interval for the **Ovation Fed Com 1318 #132H Well** will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject enlarged standard spacing unit.
- 5. Approval of this application is in the best interest of conservation, the prevention of waste and protection of correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this enlarged horizontal spacing unit should be pooled, and Applicant should be designated the operator of this proposed enlarged standard horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

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ATTORNEYS FOR NOVO OIL & GAS NORTHERN DELAWARE LLC

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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21093, EDDY COUNTY, NEW MEXICO.

**CASE NO.** 21550

#### **APPLICATION**

Novo Oil & Gas Northern Delaware, LLC ("Novo" or "Applicant") (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to amend Order R-21093 for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of its application, Novo states:

- 1. Order R-21093, entered on February 12, 2020, in Case No. 20887, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Unit"), designated Applicant as the operator of the Unit, pooled the uncommitted interests in the Wolfcamp formation [Purple Sage; Wolfcamp (Gas) Pool (98220)] in the Unit, and dedicated the Unit to the proposed initial wells.
- 2. Since the entry of Order R-21093, Applicant has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard spacing unit to allow for the drilling of 2-mile horizontal wells.

- 3. As provided in Order R-21093, Applicant seeks to dedicate this horizontal spacing unit to these proposed initial wells:
  - The Ovation Fed Com 1318 #211H Well, the Ovation Fed Com 1318 #212H Well, the Ovation Fed Com 1318 #221H Well, the Ovation Fed Com 1318 #231H Well, and the Ovation Fed Com 1318 #232H Well, each will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18;
  - The **Ovation Fed Com 1318 #222H Well** will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
  - The Ovation Fed Com 1318 #215H Well, the Ovation Fed Com 1318 #225H Well, and the Ovation Fed Com 1318 #235H Well each will be horizontally drilled from a common surface location in the E/2 NE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 18.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject enlarged standard spacing unit.
- 5. Approval of this application is in the best interest of conservation, the prevention of waste and protection of correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this enlarged horizontal spacing unit

should be pooled, and Applicant should be designated the operator of this proposed enlarged standard horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

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ATTORNEYS FOR NOVO OIL & GAS NORTHERN DELAWARE LLC

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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21092, EDDY COUNTY, NEW MEXICO.

CASE NO. 21549

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21093, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21550** 

#### <u>AFFIDAVIT OF BRANDON PATRICK</u> IN SUPPORT OF CASE NOS. 21549 AND 21550

Brandon Patrick, of lawful age and being first duly sworn, declares as follows:

- My name is Brandon Patrick. I work for Novo Oil & Gas Northern Delaware, LLC
   ("Novo") as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by Novo in Case Nos. 21549 and 21550, and I am familiar with the status of the lands in the subject area.
- 4. **Novo Exhibit C-1** is a project locator map for the enlarged standard horizontal spacing units applied for in **Case Nos. 21549** and **21550**.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Novo Oil & Gas Northern Delaware LLC
Hearing Date: December 3, 2020
Case Nos. 21549-21550

- 5. **Novo Exhibit C-1** also shows the units in relation to the surrounding acreage. Existing nearby wells producing in the Bone Spring and Wolfcamp formations are also reflected on the map.
- 6. In both of these cases, Novo initially applied for and received approval of standard horizontal spacing units for the development of one-mile horizontal wells. Since the entry of Orders R-21092 and R-21093, Novo has determined it is prudent to request approval of enlarged spacing units to allow for the development of two-mile horizontal wells.
- 7. None of the uncommitted parties has indicated opposition to these pooling applications, and I do not expect any opposition at the hearing to presenting these cases by affidavits.
- 8. In Case No. 21549, Novo seeks to amend Order R-21092 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.
- 9. Order R-21092, entered on February 12, 2020, in Case No. 20886, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Bone Spring Unit"), designated Applicant as the operator of the Bone Spring Unit, pooled the uncommitted interests in the Bone Spring formation [Culebra Bluff; Bone Spring Pool (15011)] in the Bone Spring Unit, and dedicated the Bone Spring Unit to the proposed initial wells.
- 10. Since the entry of Order R-21092, Novo has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard horizontal spacing

unit to allow for the drilling of 2-mile wells, and Novo seeks Division approval of an enlarged spacing unit covering Sections 13 and 18.

- 11. As provided in Order R-21092, Novo seeks to dedicate the Bone Spring Unit to these proposed initial wells:
  - The Ovation Fed Com 1318 #131H Well (API No. pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18;
  - The Ovation Fed Com 1318 #132H Well (API No. pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
  - The Ovation Fed Com 1318 #135H Well (API No. pending) to be horizontally drilled from a surface location in the E/2 NE/4 of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18.
- 12. The completed interval for the **Ovation Fed Com 1318 #132H Well** will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18.
- 13. In Case No. 21550, Novo seeks to amend Order R-21093 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2)

equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Order R-21093, entered on February 12, 2020, in Case No. 20887, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Wolfcamp Unit"), designated Applicant as the operator of the Wolfcamp Unit, pooled the uncommitted interests in the Wolfcamp formation [Purple Sage; Wolfcamp (Gas) Pool (98220)] in the Wolfcamp Unit, and dedicated the Wolfcamp Unit to the proposed initial wells.

- 14. Since the entry of Order R-21093, Novo has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard spacing unit to allow for the drilling of 2-mile horizontal wells, and Novo seeks Division approval of an enlarged spacing unit covering Sections 13 and 18.
- 15. As provided in Order R-21093, Novo seeks to dedicate the Wolfcamp Unit to these proposed initial wells:
  - The Ovation Fed Com 1318 #211H Well (API No. pending), the Ovation Fed Com 1318 #212H Well (API No. pending), the Ovation Fed Com 1318 #221H Well (API No. pending), the Ovation Fed Com 1318 #231H Well (API No. pending), and the Ovation Fed Com 1318 #232H Well (API No. pending), each will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18;
  - The Ovation Fed Com 1318 #222H Well (API No. pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of

- Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
- The Ovation Fed Com 1318 #215H Well (API No. pending), the Ovation Fed Com 1318 #225H Well (API No. pending), and the Ovation Fed Com 1318 #235H Well (API No. pending), which will be horizontally drilled from a common surface location in the E/2 NE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 18.
- 16. The completed intervals of these wells will comply with the setbacks of the Special Rules for the Purple Sage Wolfcamp Pool.
- 17. Novo has prepared draft Form C-102s to file with the Division for the proposed wells in both Case Nos. 21549 and 21550, which are attached to this affidavit as Novo Exhibit C-2.
- 18. Novo Exhibit C-3 identifies the tracts of land comprising the proposed horizontal spacing units in Case Nos. 21549 and 21550 that include both fee and federal lands. This exhibit shows the working interest owners that Novo seeks to pool and provides a tract recapitulation. There are no unleased interests in this acreage.
- 19. Novo Exhibit C-4 identifies the overriding royalty interest owners by tract that Novo seeks to pool in Case Nos. 21549 and 21550.
- 20. Novo Exhibit C-5 provides a recapitulation showing the percentage of each interest in the proposed spacing units in Case Nos. 21549 and 21550. There are no depth severances in either the Bone Spring or Wolfcamp formations underlying this acreage.
- 21. A copy each well proposal letter for the wells in Case Nos. 21549 and 21550, along with the corresponding AFEs, is attached as Novo Exhibit C-6. The costs reflected in the AFEs

attached as Novo Exhibit C-5 are consistent with what Novo and other operators have incurred for drilling similar horizontal wells in the area.

- 22. Novo has been able to locate contact information for all of the parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners in Case Nos. 21549 and 21550. Exhibit C-7 contains a summary chronology of many of Novo's contacts with the uncommitted working interest owners that Novo seeks to pool in in the enlarged spacing units in Section 18. In my opinion, Novo has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners in Case Nos. 21549 and 21550.
- 23. For both Case Nos. 21549 and 21550, I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners. In compiling these addresses, Novo conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.
- 24. However, since the filing of the applications in Case Nos. 21549 and 21550, Novo discovered that Tract A contained the highlighted overriding royalty interest owners, shown on Novo Exhibit C-4. For that reason, Novo respectfully requests that these cases be continued to the Division docket on December 17, 2020, or the next available docket, to provide notice as required by Division rules to these additional overriding royalty interest owners that Novo recently discovered and seeks to pool under the terms of Orders R-21092 and R-21093.
- 25. As provided in **Orders R-21092** and **R-21093**, Novo seeks approval of overhead and administrative costs at \$8,000/month while drilling and \$800/month while producing the wells. These costs are consistent with what Novo and other operators are charging in this area for these types of wells. Novo respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in **Case Nos. 21549** and **21550**.

26. **Novo Exhibits C-1** through **C-7** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

	Elm Rt
	BRANDON PATRICK
STATE OF OKLAHOMA	)
COUNTY OF OKLAHOMA	)
SUBSCRIBED and SWO	RN to before me this day of 100. 2020 by
Brandon Patrick	
# 20005966 EXP. D5/22/24	Line Ca
OF OKALITY	NOTARY PŮBLIC

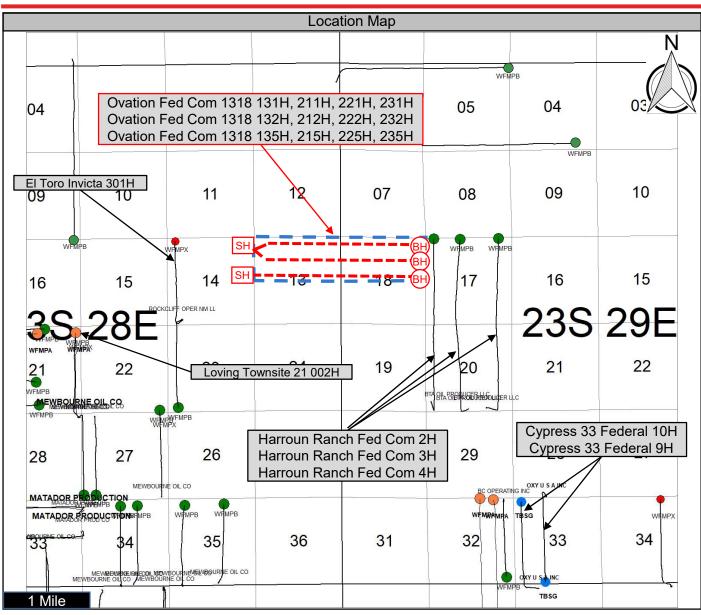
My Commission Expires:

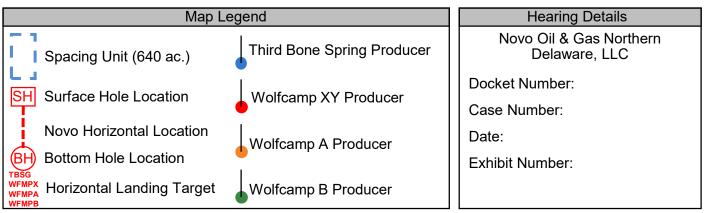
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### **Ovation Fed Com 1318 Execution Plan**



Third Bone Spring, Wolfcamp XY, Wolfcamp A and Wolfcamp B Proposed Locations, Sections 13-23S-28E and 18-23S-29E





#### BEFORE THE OIL CONSERVATION DIVISION

Hearing Date: December 3, 2 Case Nos. 21549-21550

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

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

Form C-102

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT											
1 A	PI Number	r		<sup>2</sup> Pool Co	de		<sup>3</sup> Pool Na	me			
<sup>4</sup> Property Code <sup>5</sup> Property Name <sup>6</sup> Well N									Well Number		
		OVATION FED COM 1318 131H								131H	
<sup>7</sup> OGRID N	lo.				<sup>8</sup> Operato	r Name				<sup>9</sup> Elevation	
372920	)	NOVO OIL & GAS NORTHERN DELAWARE, LLC 2983.2							2983.2		
	<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wo	est line	County	
A	14	23 S	28 E		798	NORTH	365	EAST EDDY			
			пВ	ottom E	Iole Location	If Different Fr	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	East/West line County		
A	18	23 S	<b>29</b> E		726	NORTH	10	EA	EAST EDDY		
12 Dedicated Acres	<sup>13</sup> Joint	or Infill	14 Consolidation	n Code	e <sup>15</sup> 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.

	<sup>17</sup> OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete to the
	best of my knowledge and belief, and that this organization either owns a
	working interest or unleased mineral interest in the land including the proposed
	bottom hole location or has a right to drill this well at this location pursuant to
	a contract with an owner of such a mineral or working interest, or to a
	voluntary pooling agreement or a compulsory pooling order heretofore entered
NW CORNER SEC. 14 NE CORNER SEC. 14 N/4 CORNER SEC. 13 NE CORNER SEC. 13 N/4 CORNER SEC. 18 NE CORNER SEC. 18 LAT. = 32.3129659N LAT. = 32.3129693TN LAT. = 32.3129645W LAT. = 32.3129645W LAT. = 32.3129645W LAT. = 32.3126127N LAT. = 32.3125127N LAT. = 32.312512	by the division.
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S89'55'24"E 2632.05 FT N89'53'24"E 2642.18 FT N89'56'15"E 2698.51 FT N89'57'06"E 2693.62 FT S88'21'27"E 2557.03 FT S88'16'13"E 2636.79 FT □ N/4 CORNER SEC 14	
E LAT. = 32:3128652N E FTP E LTP E L	Printed Name
NMSP EAST (FT)  N = 477/661,93 SHL  N = 477/661,93 SHL  R = 726' FNIL, 100' FNIL  R = GRID BNG. = \$89'11'27"E BHL  R = FILE T TAKE POINT  R = GRID BNG. = \$89'11'27"E BHL  R = FILE T TAKE POINT	
E = 626376.43   LAT. = 32.3108646N   HORIZ! DIST. = 10470.08 FT   S   OVATION FED COM   LONG. = 1040492115W   BOTTOM OF HOLE   S   OVATION OF HOLE   S   O	
S   W/4 CORNER SEC. 14   1378   1314	E-mail Address
LONG. = 104.066697W LAT. = 32.3106693N (NADB3) LONG. = 104.0990998W LONG. = 104.0509994W NMSP EAST (FT) DNF NNSP EAST (FT) LAST TAKE POINT N = 476793.76	
□ N = 475013.26	18SURVEYOR CERTIFICATION
S E = 623728.00 N = 476669.96 S E = 5290(1.88 E = 634407.49) & LAT. = 32.3103666 N S E + 628648.34 S S + 628648.34 S S + 528648.34 S S S + 528648.34 S S S + 528648.34 S S S S S S S S S S S S S S S S S S S	I hereby certify that the well location shown on this plat was
LAT. = 32,29825,23N	plotted from field notes of actual surveys made by me or under
	my supervision, and that the same is true and correct to the
\$89:33'40'W 2619,80 FT \$89'41'55'W 2637.70 FT N89'53'22'W 2709.13 FT N89'53'22'W 2709.13 FT N88'42'22'W 2566.75 FT N88'42'22'W 2566.75 FT N88'42'22'W 2566.75 FT	best of my belief.
SW CORNER SEC. 14 SE CURNER SEC. 13 SW CORNER SEC. 18 LAT. = 32.29821557N LAT. = 32.2992716FN LAT. = 32.29920227N LONG. = 104.0566772'W LONG. = 104.0496657'W LONG. = 104.0321339'W LONG. = 104.0155299'W	AUGUST 3, 2020
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E = 623729.17 $E = 628985.39$ $E = 634402.47$ $E = 639533.50$	Date of Survey
BEFORE THE OIL CONSERVATION DIVISION	
Santa Fe, New Mexico	
Exhibit No. C2	Signature and Seal of Professional Surveyor
Submitted by: Novo Oil & Gas Northern Delaware LLC	Certificate Number: FINIMOTOF FARMANTICS, PLS 12797
Hearing Date: December 3, 2020	SURVEY NO. 7764A
Case Nos. 21549-21550	

ntent	t	As Drill	ed										
API#			]										
Ope	rator Nan	ne:	<u> </u>		Property N	lame:					Well Number		
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Kick C	Off Point (	KOP)											
UL <b>A</b>	Section <b>14</b>	Township 23S	Range 28E	Lot	Feet <b>798</b>	From I	N/S <b>TH</b>	Feet <b>365</b>	Fron <b>EAS</b>	n E/W S <b>T</b>	County <b>EDDY</b>		
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API#			1										
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#### 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

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r		<sup>2</sup> Pool Code	!	<sup>3</sup> Pool Name					<sup>3</sup> Pool Name			
<sup>4</sup> Property (	Code				<sup>5</sup> Property Name <sup>6</sup> Well Number									
				O	VATION FEI					132H				
<sup>7</sup> OGRID	No.		<sup>8</sup> Operator Name <sup>9</sup> Elevation							<sup>9</sup> Elevation				
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			2981.9				
<sup>10</sup> Surface Location														
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County				
A	14	23 S	28 E		833   NORTH   345   EAST   ED					EDDY				
<sup>11</sup> Bottom Hole Location If Different From Surface														
UL or lot no.	Section	Township	Range	Lot Idn	ot Idn Feet from the North/South line Feet from the East/West line				County					
H	18	23 S	29 E		1518	NORTH	10	EAS	ST	EDDY				
12 Dedicated Acre	s <sup>13</sup> Joint	or Infill 14	Consolidation	1 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.

	17 OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete to the
	best of my knowledge and belief, and that this organization either owns a
	working interest or unleased mineral interest in the land including the proposed
	bottom hole location or has a right to drill this well at this location pursuant to
	a contract with an owner of such a mineral or working interest, or to a
	voluntary pooling agreement or a compulsory pooling order heretofore entered
NW CORNER SEC. 14 NE CORNER SEC. 14 N/4 CORNER SEC. 13 NE CORNER SEC. 13 N/4 CORNER SEC. 18 NE CORNER	by the division.
N = 477697.00 N = 477697.94 N = 477672.21 NMSP EAST (*1) NMSP EAST	Signature Date
S89'55'24"E 2632.05 FT N89'53'24"E 2642.18 FT N89'56'15"E 2698.51 FT N89'57'06"E 2693.62 FT S88'21'27"E 2557.03 FT S88'16'13"E 2636.79 FT N89'55'24"E 2636.79 FT N89'55'26"E 2636.79 FT N89'55'24"E 2636.79 FT	
Coll. = 33.31260521W	Printed Name
E = 626376.43	
W/4 CORNER SEC. 14 13/18 132H   13/18 13/18 13/18   13/18   13/18 13/18   13/18 13/18   13/18 13/18   13/18 13/18   13/18	E-mail Address
LONG. = 104.0665597W LAI. = 32.3105.7167N (NAUBS)	
	18SURVEYOR CERTIFICATION
53	I hereby certify that the well location shown on this plat was
[2] LAI, = 3/L298/23/23 N	plotted from field notes of actual surveys made by me or under
E = 626348.32 DNF DNF	my supervision, and that the same is true and correct to the
\$89.33/40\times 2619.80 FT \$89.41'55\times 263.70 FT  N89.53'22\times 2709.13 FT \text{ N89.63'22\times 2709.13 FT \text{ N89.62'22\times 2709.13 FT \text{ N89.64'22\times 2566.75 FT \text{ N88.42'22\times 2566.75 FT \text{ N88.42'22\time	best of my belief.
LONG. = 104.0666772W LONG. = 104.0496657W LONG. = 104.0155289W LONG. = 104.0155289W	JUNE 8, 2020
N = 472359.66 N = 472359.66 N = 472339.24 N = 472333.38	Date of Survey
E = 629/29.17 E = 639633.50	Signature and Seal of Professional Surveyor: Certificate Number: English Seal of Professional Surveyor:  OFFESSION OF NO. 7765

Intent	t	As Drill	ed									
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Ope	rator Nan	ne:	<u> </u>			Property I	Name:					Well Number
NO	/O OIL &	GAS NORT	HERN DE	LAWA	RE,LLC	ov	'ATIO	N FEC	COM 1	318		132H
Kick C	Off Point (	KOP)										
UL <b>A</b>	Section <b>14</b>	Township <b>23S</b>	Range 28E	Lot	Feet <b>833</b>	From <b>NOR</b>	n/s R <b>TH</b>	Feet 345	Fr E	om E/W <b>AST</b>	County <b>EDDY</b>	
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API#												
Ope	rator Nan	ne:	1			Property N	Name:					Well Number

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1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

12 Dedicated Acres

13 Joint or Infill

14 Consolidation Code

#### 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

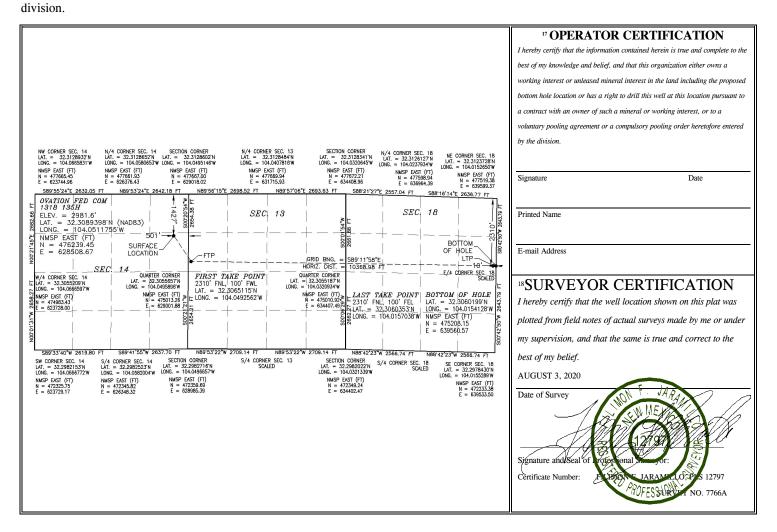
☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r		<sup>2</sup> Pool Code	2		<sup>3</sup> Pool Na	ıme		
<sup>4</sup> Property	Code				<sup>5</sup> Property	Name			6 1	Well Number
				O	VATION FED	COM 1318				135H
<sup>7</sup> OGRID	<sup>7</sup> OGRID No. <sup>8</sup> Operator Name									
37292	372920 NOVO OIL & GAS NORTHERN DELAWARE, LLC									
					<sup>10</sup> Surface	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
Н	14	23 S	28 E		1427	NORTH	501	EAS	ST	EDDY
<sup>11</sup> 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/We	East/West line County	
H	H 18 23 S 29 E 2310 NORTH 10								ST	EDDY

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

15 Order No.



Intent		As Drill	led											
API#														
NOV	rator Nar /O OIL .AWAR	& GAS N	IORTHE	ERN			perty N ATION			OM 1	318			Well Number 135H
Kick O	off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N	1/S	Feet		Fron	n E/W	County	
Latitu	l de				Longitu	ıde							NAD	
													<u> </u>	
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API#														
Oper	rator Nar	ne:				Pro	perty N	lame:						Well Number

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

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r		<sup>2</sup> Pool Code	;		<sup>3</sup> Pool Na	me			
<sup>4</sup> Property (	Code		<b>_</b>		<sup>5</sup> Property	Name			<sup>6</sup> Well Number		
	OVATION FED COM 1318									211H	
<sup>7</sup> OGRID	<sup>7</sup> OGRID No. <sup>8</sup> Operator Name									<sup>9</sup> Elevation	
37292	372920 NOVO OIL & GAS NORTHERN DELAWARE, LLC								2981.6		
					10 Surfac	e Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
A	A   14   23 S   28 E   780   NORTH   375   E.								ST	EDDY	
" Bottom Hole Location If Different From Surface											

			" E	sottom H	ole Location	If Different Fro	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	18	23 S	29 E		330	NORTH	130	EAST	EDDY
12 Dedicated Acres	13 Joint	or Infill	4 Consolidation	n Code			<sup>15</sup> 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.

	17 OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete
	to the best of my knowledge and belief, and that this organization either
	owns a working interest or unleased mineral interest in the land including
	the proposed bottom hole location or has a right to drill this well at this
	location pursuant to a contract with an owner of such a mineral or working
	interest, or to a voluntary pooling agreement or a compulsory pooling order
NW CORNER SEC. 14 N.4 CORNER SEC. 13 N.6 CORNER SEC. 13 N.4 CORNER SEC. 13 N.4 CORNER SEC. 13 N.4 CORNER SEC. 18 N.5 CORNER SEC	heretofore entered by the division.
NMSP EAST (FT) NMSP EAST (FT) NMSP EAST (FT) NMSP EAST (FT) N = 477691.75 N = 477691.75 N = 477691.75 E = 623692.10 E = 629018.02 E = 631715.93 E = 634408.96 E = 639964.39 E = 639999.40	Signature Date
\$8955'24'E 2632.05 FT N8953'24'E 2642.18 FT N8956'15'E 2698.51 FT N8957'06'E 2693.62 FT \$88'21'27'E 2557.03 FT \$88'16'13'E 2636.79 FT N8956'15'E 2698.51 FT N8956'15'E 2698.51 FT N8956'16'E 2693.62 FT N8956'E 26	
(AI = 32/5128652N	7
104.05806533W   375'   7FTP	Printed Name
□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□	
W/4 CORNER SEC. 14 13/18 211H   S W/4 CORNER SEC. 13   E/4 CORNER SEC. 13   L2   HOTTON OF HOLE SOCIETY OF H	E-mail Address
LUNG. = 104.0000039/ W LAIL = 32.310/183 N (NADO3)   28108   1810-1808   1810-	
H 475017.00 N 4750	18SURVEYOR CERTIFICATION
E = 628638.52   15   104.0163488 W   15   105	I hereby certify that the well location shown on this plat
L N = 47483.43 NMSP ESI (11)  E E 623728.00 N = 475863.85   5	was plotted from field notes of actual surveys made by
NMSP EAST (FT)	me or under my supervision, and that the same is true
\$89'33'40'\ 2619.80 FT \$89'41'55'\ 2637.70 FT N89'53'22'\ 2709.13 FT N89'53'22'\ 2709.13 FT N89'42'22'\ 2566.75 FT N89'42'22'\ 2566.75 FT N89'42'22'\ 2566.75 FT SW CORNER SEC. 14 SE CORNER SEC. 14 SE CORNER SEC. 13 SW CORNER SEC. 18	and correct to the best of my belief.
LONG. = 104.0566772'W LONG. = 104.0496657'W LONG. = 104.0321339'W LONG. = 104.0155288'W LONG. = 104.0155288'W	AUGUST 3, 2020
N = 472325.75 N = 472359.69 N = 472349.24 N = 472325.75	Date of Survey
E = 023/29.17 E = 028980.39 E = 034402.47 E = 639533.50	Signature and Seal on Probestional Surveyor:
	Certificate Number: FIRMON F. FRAMILZO, PLS 12797
	SURVEY NO. 7776A
	íl en

ntent		As Drill	ed									
API#			]									
Ope	rator Nan	ne:	<u> </u>			Property	Name:	:				Well Numbe
NOV	/O OIL &	GAS NORT	HERN DE	LAWA	RE,LLC	C	VATIO	N FED	COM 1	1318		211H
UL A	Off Point ( Section 14	Township <b>23S</b>	Range <b>28E</b>	Lot	Feet <b>780</b>	From	n N/S PRTH	Feet <b>375</b>	F	rom E/W	County <b>EDDY</b>	
Latitu		07185		<u> </u>	Longitu	ude 104.0	50749	97	I_		NAD 83	}
	ake Point	` ′	Don's	12	l Foot	l e.	o N/C	T ====	T -	ware FAM	Count	
D D	Section 13	Township <b>23S</b>	Range 28E	Lot	Feet <b>330</b>	NC	n N/S PRTH	Feet <b>330</b>	V	rom E/W <b>VEST</b>	County <b>EDDY</b>	
Latitu	<sup>ide</sup> <b>32.311</b>	9519			Longitu	<sup>ide</sup> <b>104.04</b>	84560	)			NAD 83	}
UL <b>A</b>	Section 18	Township 23S	Range <b>29E</b>	Lot	Feet 330	From N/S	Feet <b>33</b> 0		From E/\ <b>EAST</b>	EDD	ty <b>Y</b>	
Latitu		114959			Longitu	104.0	16348	8		NAD	83	
		defining wo	ell for the	e Horizo	ontal Spa	ncing Unit?	• [		]			
Spacir	ng Unit.	lease prov	ride API i	f availa	able, Op	erator Na	me and	l well	number	for Defi	ning well	for Horizonta
API#												
Ope	rator Nan	ne:	•			Property	Name:					Well Numbe

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 Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 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

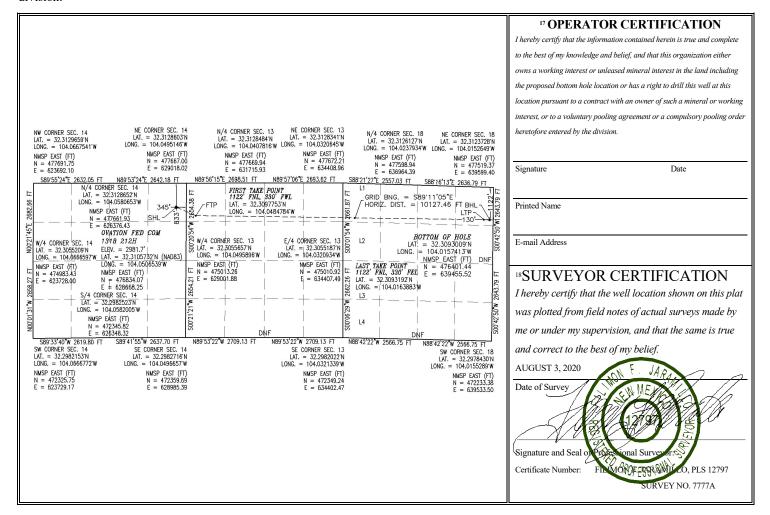
AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1,	API Numbe	r		<sup>2</sup> Pool Code	:		<sup>3</sup> Pool Na	me				
<sup>4</sup> Property (	Code		I		<sup>5</sup> Proper	ty Name			6 1	Well Number		
	OVATION FED COM 1318								212H			
7 OGRID	<sup>7</sup> OGRID No. <sup>8</sup> Operator Name									<sup>9</sup> Elevation		
37292	0		NOV	O OIL &	GAS NORT	HERN DELAWA	RE, LLC			2981.7		
					10 Surfa	ice Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wo	est line County			
A	14	23 S	28 E		833	NORTH	345	EAS	AST EDDY			

A	14	23 3	20 E		655	NORTH	343	EASI	EDD1		
			пE	Bottom H	ole Location	If Different Fro	om Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
A	18	23 S	29 E		1122	NORTH	130	EAST	EDDY		
12 Dedicated Acre	s 13 Joint	or Infill	<sup>14</sup> Consolidatio	n Code	<sup>15</sup> 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.



Intent		As Drill	ed									
API#												
Ope	rator Nan	ne:				Property	Name:					Well Number
NOV	/O OIL &	GAS NORT	HERN DE	LAWA	RE,LLC	0/	/ATIO	N FEC	COM 1	.318		212H
Kick C	off Point (	KOP)										
UL <b>A</b>	Section <b>14</b>	Township <b>23S</b>	Range 28E	Lot	Feet <b>833</b>	From <b>NOI</b>	N/S RTH	Feet 345	F	rom E/W	County <b>EDDY</b>	
Latitu		05732		1	Longitu	104.05	0653	39	l		NAD 83	}
irst T	ake Point	t (FTP)									_	
UL <b>D</b>	Section <b>13</b>	Township <b>23S</b>	Range <b>28E</b>	Lot	Feet <b>1122</b>	From <b>NOI</b>	N/S <b>RTH</b>	Feet <b>330</b>	V	rom E/W <b>VEST</b>	County <b>EDDY</b>	
Latitu	de <b>32.309</b>	7753			Longitu	de <b>104.048</b>	34784	1	•		NAD 83	}
ul OL <b>A</b>	Section 18	Township 23S	Range <b>29E</b>	Lot	Feet <b>1122</b>	From N/S NORTH	Feet 330		From E/V <b>EAST</b>	V Count	ty <b>)Y</b>	
Latitu		093192		•	Longitu	104.01	6388	3		NAD	83	
	well the	defining wo	ell for the	Horizo	ontal Spa	cing Unit?			]			
3 (1113	well all li	mm wen:			_							
	I is yes p ng Unit.	lease prov	ide API i	f availa	able, Ope	erator Nan	ne and	l well	number	for Defi	ning well	for Horizonta
API#												
Oper	rator Nam	ne:	<u> </u>			Property	Name:					Well Number

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

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#### State of New Mexico

## Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

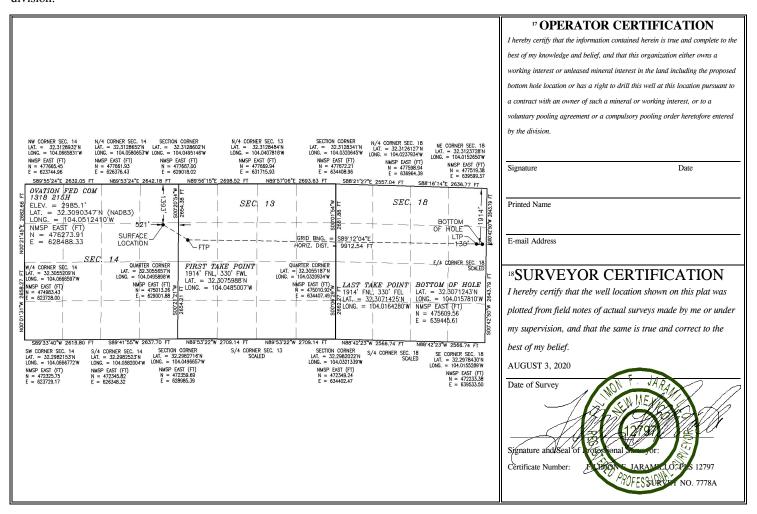
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AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Numbe	r		<sup>2</sup> Pool Code	e		<sup>3</sup> Pool Na	me				
<sup>4</sup> Property	Code				<sup>5</sup> Property	Name			6 V	Vell Number		
				O	VATION FEE	O COM 1318				215H		
<sup>7</sup> OGRID	<sup>7</sup> OGRID No. <sup>8</sup> Operator Name											
37292	372920 NOVO OIL & GAS NORTHERN DELAWARE, LLC											
	*											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We:	st line	County		
H	14	23 S	28 E		1393	NORTH	521	EAS	T	<b>EDDY</b>		
			пB	ottom H	ole Location	If Different Fi	om Surface		•			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We:	st line	County		
H	18	23 S	29 E		1914	NORTH	130	EAS	ST	<b>EDDY</b>		
12 Dedicated Acre	es <sup>13</sup> Joint	or Infill	<sup>4</sup> Consolidation	Code			15 Order No.					

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Inten	t	As Dril	led											
API#			]											
NO\	rator Nar VO OIL _AWAR	& GAS N	I IORTHE	ERN			perty N ATION			OM 1	318			Well Number 215H
Kick C	Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N	I/S	Feet		Fron	n E/W	County	
Latitu	ıde			<u> </u>	Longitu	ıde							NAD	
Finat 7	Falsa Daisa	.+ /FTD)												
UL E	Section	Township 23S	Range 28E	Lot	Feet 1914		From NOR		Feet 330		Fron WE	n E/W ST	County EDDY	
Latitu					Longitu								NAD 83	
Last T	ake Poin	t (LTP)												
UL H	Section 18	Township 23S	Range 29E	Lot	Feet 1914		m N/S ORTH	Feet 330		From EAST		Count		
132.3	<sup>ide</sup> 307142	5			Longitu 104.0		4280					NAD 83		
Is this	s well the	defining v	vell for th	e Horiz	zontal Sp	oacin	g Unit?			]				
Is this	s well an	infill well?			]									
	ll is yes p ng Unit.	lease provi	ide API if	availab	ıle, Opeı	rator	Name	and v	vell n	umber	for I	Definir	ng well fo	r Horizontal
API#			]											
Ope	rator Nar	me:	l			Pro	perty N	lame:						Well Number

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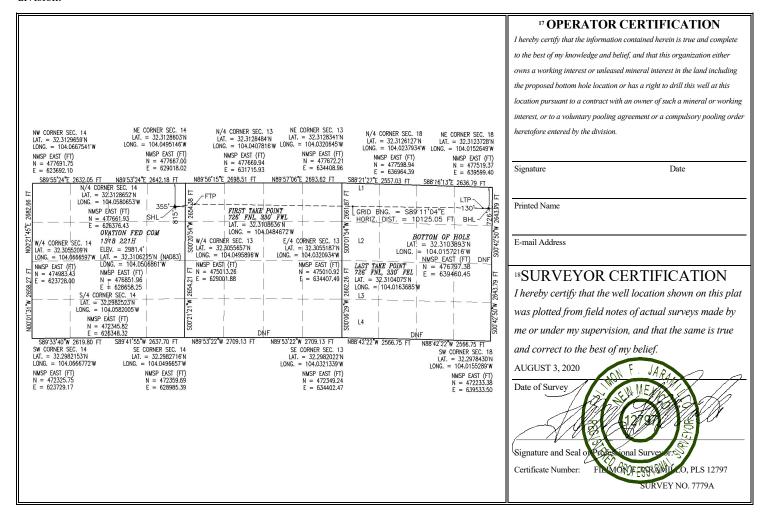
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<sup>1</sup> API Number				<sup>2</sup> Pool Code	•	<sup>3</sup> Pool Name				
<sup>4</sup> Property Code				<sup>6</sup> Well Number						
	OVATION FED COM 1318								221H	
<sup>7</sup> OGRID	<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name							
372920				2981.4						
					10 Surface	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
<b>A</b>	1.4	22.6	20 E		015	NODTH	255	EACT	EDDV	

	A	14	23 S	28 E		815	NORTH	355	EAST	EDDY		
	" Bottom Hole Location If Different From Surface											
ĺ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
	A	18	23 S	29 E		726	NORTH	130	EAST	EDDY		
ĺ	12 Dedicated Acres	licated Acres 13 Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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.



nten	t	As Drill	ed									
API#			]									
Ope	rator Nar	ne:				Prope	rty Name	:				Well Number
NO	VO OIL &	GAS NORT	HERN DE	LAWA	RE,LLC		OVATIO	N FEI	о сом 1	318		221H
Kick (	Off Point (	КОР)										
UL <b>A</b>	Section <b>14</b>	Township 23S	Range 28E	Lot	Feet <b>815</b>	F	rom N/S NORTH	Feet <b>355</b>	Fr <b>E</b> .	om E/W <b>AST</b>	County <b>EDDY</b>	
Latit		.06225		•	Longitu		.050686	51	•		NAD 83	}
Firct <sup>-</sup>	Гаke Poin	+ (FTD)			,							
UL <b>D</b>	Section 13	Township 23S	Range <b>28E</b>	Lot	Feet <b>726</b>	F	rom N/S NORTH	Feet <b>330</b>	Fr	om E/W <b>/EST</b>	County <b>EDDY</b>	
Latit		<u> </u>	201		Longitu	ıde	)48467 <i>2</i>	<u> </u>	<u>,                                    </u>	, LJ1	NAD 83	}
ast T	Section 18	Township 23S	Range <b>29E</b>	Lot	Feet <b>726</b>	From I	N/S Fee		From E/W <b>EAST</b>	Coun EDD	ty <b>)Y</b>	
Latit		104075		ı	Longitu		016368	35		NAD	83	
s this	s well the	defining w	ell for the	. Horiz	ontal Spa	acing Un	it? [		]			
s this	s well an i	nfill well?										
	ll is yes p ng Unit.	olease prov	ride API i	f avail	able, Op	erator N	Name and	l well	number	for Defi	ning well	for Horizontal
API#	:											
Ope	rator Nar	ne:	ı			Prope	rty Name					Well Number

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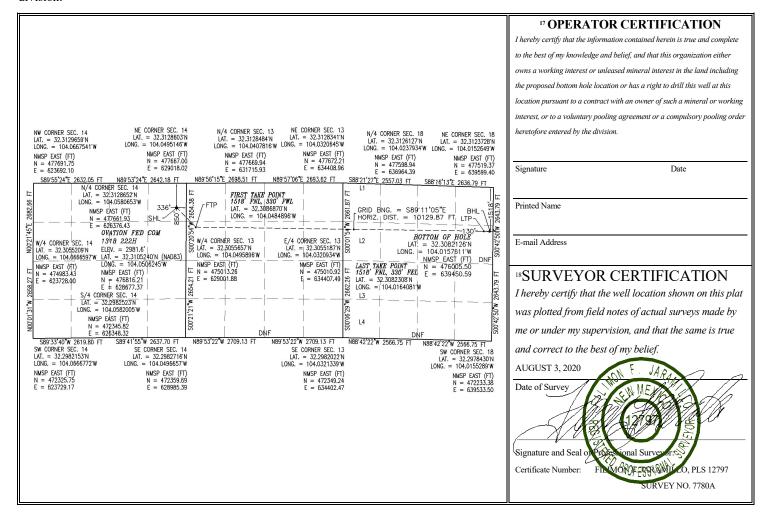
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1	API Numbe	r		<sup>2</sup> Pool Code			³ Pool Na	ame		
<sup>4</sup> Property	Code				<sup>5</sup> Property	Name			6	Well Number
				0	VATION FEI	COM 1318				222H
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			2981.6
					10 Surface	e Location		•		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
A	14	23 S	28 E		850	NORTH	336	EAS	ST	EDDY
	•	•	11 E	Bottom H	ole Location	If Different Fro	om Surface	•		•
		1								

			T		oic Location	II Difficient Fit	JIII Surface			
UL or lot no.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Н	18	23 S	29 E		1518	NORTH	130	EAST	EDDY	
12 Dedicated Acres	<sup>13</sup> Joint	or Infill	14 Consolidatio	n Code			<sup>15</sup> Order No.			
H  12 Dedicated Acres				n Code	1518	NORTH		EAST	EDDY	



nten	t	As Drill	ed									
API#	ŧ		]									
Ope	rator Nan	ne:	<u> </u>			Property	Name:					Well Number
NO	VO OIL &	GAS NORT	HERN DE	LAWA	RE,LLC	0,	/ATIO	N FEC	СОМ 1	318		222H
Kick C	Off Point (	KOP)										
UL <b>A</b>	Section 14	Township 23S	Range 28E	Lot	Feet <b>850</b>	From <b>NO</b> I	N/S <b>RTH</b>	Feet <b>336</b>	Fro <b>E</b>	om E/W <b>AST</b>	County <b>EDDY</b>	
Latitu		.05240		•	Longitu	de <b>104.0</b> 5	0624	15	•		NAD 83	}
Eirct 7	Take Poin	+ /ETD\										
UL	Section	Township	Range	Lot	Feet	From	N/S	Feet	Fr	om E/W	County	
<b>E</b> Latitu	13 ude <b>32.308</b>	235	28Ē		Longitu		RTH R4896	330 5	V	/EST	NAD 83	<u> </u>
UL H	Section 18	Township 23S	Range <b>29E</b>	Lot	Feet <b>1518</b>	From N/S NORTH	Fee: <b>33</b> (		From E/W <b>EAST</b>	Coun <b>ED</b> D	ty <b>)Y</b>	
Latitu		082308		I	Longitu	de 104.01	6408	 1		NAD	83	
s this	s well the	defining w	ell for the	· Horiz	ontal Spa	cing Unit?			]			
s this	s well an i	nfill well?										
	II is yes p ng Unit.	olease prov	ride API i	f avail	able, Ope	erator Nar	ne and	l well	number	for Defi	ning well	for Horizonta
API#	ŧ		]									
Ope	erator Nan	ne:	1			Property	Name:					Well Number

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

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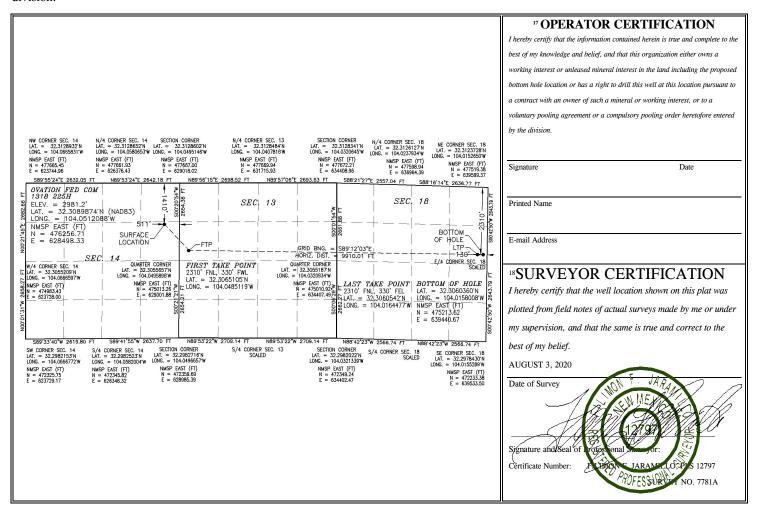
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<sup>4</sup> Property	Code				<sup>5</sup> Property	Name			6 W	ell Number
				O	VATION FED	COM 1318				225H
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name			9	Elevation
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			2981.2
					<sup>10</sup> Surface	e Location		•		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We:	st line	County
H	14	23 S	28 E		1410	NORTH	511	EAS	ST	<b>EDDY</b>
			п <b>В</b>	ottom H	ole Location	If Different Fr	om Surface		•	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We:	st line	County
H	18	23 S	29 E		2310	NORTH	130	EAS	ST	<b>EDDY</b>
<sup>2</sup> Dedicated Acre	es 13 Joint	or Infill 14	Consolidation	n Code			15 Order No.			



Intent	t	As Dril	led											
API#														
NO\	rator Nar VO OIL AWAR	& GAS N	IORTHE	ERN			perty N ATION			OM 1	318			Well Number 225H
Kick C	Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N	I/S	Feet		Fron	n E/W	County	
Latitu	ıde				Longitu	ıde							NAD	
First 1	Γake Poin	it (FTP)			1									
UL E	Section 13	Township 23S	Range 28E	Lot	Feet 2310		From N		Feet 330		Fron	n E/W ST	County EDDY	
Latitu 32.3	ide 306510	5			Longitu 104.(		5119						NAD 83	
Last T	ake Poin	t (LTP)												
UL H	Section 18	Township 23S	Range 29E	Lot	Feet 2310		m N/S ORTH	Feet 330		From EAS		Count		
132.3	<sup>ide</sup> 306054	2	1		Longitu 104.0		1477	•				NAD <b>83</b>		
Is this	s well the	defining v	vell for th	e Horiz	zontal S <sub>l</sub>	oacin	g Unit?	. [		]				
Is this	s well an i	infill well?												
	l is yes p ng Unit.	lease provi	ide API if	availab	ole, Opei	rator	Name	and v	vell n	umber	for I	Definir	ng well fo	r Horizontal
API#														
Ope	rator Nar	ne:	1			Pro	perty N	lame						Well Number

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

District II

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District III

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

12 Dedicated Acres

13 Joint or Infill

14 Consolidation Code

#### 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

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1 /	API Number	r		<sup>2</sup> Pool Code			<sup>3</sup> Pool Na	me		
<sup>4</sup> Property (	Code		I		<sup>5</sup> Property	Name			6 1	Well Number
				O,	VATION FEE	O COM 1318				231H
<sup>7</sup> OGRID !	No.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			2982.4
					10 Surface	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	st line	County
A	14	23 S	28 E		710	NORTH	415	EAS	ST	EDDY
			пB	ottom He	ole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	st line	County
$\mathbf{A}$	18	23 S	29 E		330	NORTH	130	EAS	ST	EDDY

15 Order No.

	17 OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete
	to the best of my knowledge and belief, and that this organization either
	owns a working interest or unleased mineral interest in the land including
	the proposed bottom hole location or has a right to drill this well at this
	location pursuant to a contract with an owner of such a mineral or working
	interest, or to a voluntary pooling agreement or a compulsory pooling order
NW CORNER SEC. 14 NE CORNER SEC. 14 N/4 CORNER SEC. 13 NE CORNER SEC. 13 N/4 CORNER SEC. 13 N/4 CORNER SEC. 18 NE CORNER	heretofore entered by the division.
N = 477667.00 N = 477669.94 N = 477672.21 NMSP EAST (*1) NMSP EAST	Signature Date
\$8955'24'E 2632.05 FT N8953'24'E 2642.18 FT N8956'15'E 2698.51 FT N8957'06'E 2693.62 FT \$88721'27'E 2557.03 FT \$8816'13'E 2636.79 FT N8958'16'13'E 2636.79 FT N8958'15'E 2636.79 FT N8958'E 2636.79 FT N	
LAT. = 22/3128652N	Printed Name
NKSP ENST (FT) SHL O 330° FNIL 380° FNIL 5 (GRID BNG. = SB9'11'03"E LDT. 91'25 (ARID BNG. = SB9'11'03"E LDT. 91'25 (BHL O 91'25)	Finited Name
I □ I F = 696376 43	
SW/4 CORNER SEC. 14 1578 23711   SW/4 CORNER SEC. 15   2.4 CORNER SEC. 15   2.4 CORNER SEC. 16   2.2 LAT = 32.314776'N   SW/4 CORNER SEC. 17   2.4 CORNER SEC. 18   2.4 CORNER SEC. 19   2.4 CORNER SE	E-mail Address
LNLS	
□ N = 475013.26	18SURVEYOR CERTIFICATION
N = 4/4983.45 NW37 155 (17)	I hereby certify that the well location shown on this plat
LONG. = 104.0582005'W	was plotted from field notes of actual surveys made by
L = 020040.32	me or under my supervision, and that the same is true
\$89'33'40'\ 2519.80 FT \$89'41'55'\ 2637.70 FT \$89'53'22'\ 2709.13 FT \$89'53'22'\ 2709.13 FT \$88'42'22'\ 2566.75 FT \$88'42'\ 2566.	and correct to the best of my belief.
LONG. = 104.056772'W LONG. = 104.0496657'W LONG. = 104.0321339'W LONG. = 104.0155289'W LONG. = 104.0155289'W	AUGUST 3, 2020
NIMSP EAST (FT) NIMSP EAST (FT) NIMSP EAST (FT) NIMSP EAST (FT) N = 472325.75 N = 472356.69 N = 472349.24 N = 47233.36 E = 623729.17 E = 628985.39 E = 634402.47 E = 639533.50	Date of Survey  Signature and Seal of Processional Surveyor:  Certificate Number: Fire MONE 1993 Mile O, PLS 12797  SURVEY NO. 8239A

nten	t	As Drill	ed									
API#			]									
Ope	rator Nan	ne:				Proper	ty Name:					Well Number
NO	VO OIL &	GAS NORT	HERN DE	LAWA	RE,LLC		OVATIO	N FED	COM 13	18		231H
Kick C	Off Point (	KOP)										
UL <b>A</b>	Section <b>14</b>	Township <b>23S</b>	Range <b>28E</b>	Lot	Feet <b>710</b>	Fro <b>N</b>	om N/S ORTH	Feet <b>415</b>	Fror <b>EA</b> S	n E/W <b>ST</b>	County <b>EDDY</b>	
Latitu		09113		1	Longitu		050877	<u>'</u> 1			NAD 83	
irst 1	Γake Poin	t (FTP)										
UL <b>D</b>	Section 13	Township <b>23S</b>	Range <b>28E</b>	Lot	Feet 330	Fro <b>N</b>	om N/S ORTH	Feet <b>330</b>	Fror <b>WE</b>	n E/W : <b>ST</b>	County <b>EDDY</b>	
Latitu	ide <b>32.311</b>	9519			Longitu		484560	)	•		NAD 83	
.ast T	Section	Township 23S	Range <b>29E</b>	Lot	Feet <b>330</b>	From N	/S Feet	<u> </u>	From E/W <b>EAST</b>	Count <b>EDD</b>	ty <b>Y</b>	
Latitu	ıde	<del>-33</del> 114959			Longitu	ıde	016348			NAD	83	
s this	s well the	defining w	ell for the	Horizo	ontal Spa	acing Uni	t? [					
s this	well an i	nfill well?										
	ll is yes p ng Unit.	olease prov	ride API i	f availa	able, Op	erator N	ame and	l well r	number fo	or Defi	ning well	for Horizonta
API#			]									
Ope	rator Nan	ne:	I			Proper	ty Name:					Well Number

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#### 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

■ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r		<sup>2</sup> Pool Code	2		<sup>3</sup> Pool Na	ıme		
<sup>4</sup> Property 0	Code				<sup>5</sup> Property 1	Name			6	Well Number
				0	VATION FED	COM 1318				232H
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name				<sup>9</sup> Elevation
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWAI	RE, LLC			2982.5
					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County
A	14	23 S	28 E		744	NORTH	395	EA	ST	EDDY
			пB	Bottom H	ole Location	If Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County
<b>A</b>	10	22 8	20 E		1122	NODTH	120	E A	CT	EDDV

UL or lot no.

A

Bection

Township

Range

Lot Idn

Feet from the

North/South line

North/South line

North/South line

North/South line

Feet from the

130

EAST

EDDY

12 Dedicated Acres

13 Joint or Infill

14 Consolidation Code

	17 OPERATOR CERTIFICATION
	I hereby certify that the information contained herein is true and complete
	to the best of my knowledge and belief, and that this organization either
	owns a working interest or unleased mineral interest in the land including
	the proposed bottom hole location or has a right to drill this well at this
	location pursuant to a contract with an owner of such a mineral or working
	interest, or to a voluntary pooling agreement or a compulsory pooling order
NW CORNER SEC. 14 NE CORNER SEC. 14 N/4 CORNER SEC. 13 NE CORNER SEC. 13 N/4 CORNER SEC. 13 N/4 CORNER SEC. 18 NE CORNER SEC. 18 NET. = 32,3128693 N LAT. = 32,3128694 N LAT. = 32,3128484 N LAT. = 32,31284127 N LAT. = 32,31281278 N LAT. = 32,3128	heretofore entered by the division.
NMSP EAST (FT)   N = 477667.00   N = 477667.00   N = 47767.221   N = 477589.94   N = 477519.37   E = 623692.10   E = 629018.02   E = 631715.93   E = 634408.96   E = 635964.39   E = 63999.94   O = 63999.94	Signature Date
S95524T 2632.05 FT N8953'24T 2642.18 FT N8956'15T 2698.51 FT N8957'06T 2693.62 FT S88'21'27T 2557.03 FT S88'16'13T 2636'50 FT	5
LAT = 32/3128652'N   LAT   32/3128652'N   LAT   1422' PNT   32/3128652'N   LAT   1422' PNT   1422' P	
LONG. = 104.05080653W   395   93   FTP   LAT. = 32.3097753N   56   GRID BING. = S89°11'05"E   DIT. = 1012'7.46   FILTP   CRESSION   100   CR	Printed Name
WE - +	
W/4 CORNER SEC. 14 1978 232H	E-mail Address
LONG. = 104.0000039/ W LAIL = JZ.51001/310 (NADOS)   20101 10 10000001   10100000001   10100000000	
	18SURVEYOR CERTIFICATION
N = 4/4983-43 Nwsf = 47692262 E = 639405.52 E = 62900.88 E = 634407.49 E Lin = 32,3093192 N E = 639405.52 E = 623728.00 E = 623818.63 E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639405.52 E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639405.52 E = 639407.49 E Lin = 32,3093192 N E = 639407.49 E	I hereby certify that the well location shown on this plat
L N = 474983.43 NMSP EAST (11)  E E 623728.00 N = 47591.282  E E 623728.00 N = 47591.282  E E 623728.00 N = 47591.282  E E 623728.00 N = 47591.382 N	was plotted from field notes of actual surveys made by
E = 020346.32 DN1	me or under my supervision, and that the same is true
\$89.33'40'W 2619.80 FT \$89'41'55'W 2637.70 FT \ N89'53'22'W 2709.13 FT \ \text{N89'53'22'W 2709.13 FT \ \text{N89'53'22'W 2709.13 FT \ \text{N89'53'22'W 2566.75 FT \ \text{N86'42'22'W 2566.75 FT \ \ \ \ \text{N86'42'22'W 2566.75 FT \ \ \ \ \ \text{N86'42'22'W 2566.75 FT \ \ \ \ \text{N86'42'22'W 2566.75 FT \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	and correct to the best of my belief.
LONG. = 104.09567/2W LONG. = 104.049657 W LONG. = 104.03213.39 W LONG. = 104.0155289 W	AUGUST 3, 2020
NMSP EAST (FT) N = 47235.69 N = 47239.24 N = 47233.38 E = 623729.17 E = 628965.39 E = 634402.47 E = 639533.50	Date of Survey  Signature and Seal of Protestional Surveyor:  Certificate Number: FIRMONE 2008 AMILEO, PLS 12797
	Certificate Number: FIRMON FROM NO. 7782A  SURVEY NO. 7782A

	<del>!</del>										
Ope	rator Nar	ne:	•			Property Nam	e:				Well Numbe
ON	VO OIL &	GAS NORT	HERN DE	LAWA	RE,LLC	OVATI	ON FED	COM 13:	18		232H
ck (	Off Point (	(KOP)									
JL <b>A</b>	Section <b>14</b>	Township <b>23S</b>	Range 28E	Lot	Feet <b>744</b>	From N/S NORTH	Feet <b>395</b>	Fron <b>EA</b> S	n E/W <b>ST</b>	County <b>EDDY</b>	
_atitu		.08175		1	Longitu	104.05081	31	1		NAD 83	
rst <sup>-</sup>	Гаke Poin	t (FTP)									
JL <b>D</b>	Section 13	Township <b>23S</b>	Range <b>28E</b>	Lot	Feet <b>1122</b>	From N/S NORTH	Feet <b>330</b>	From <b>WE</b>	n E/W E <b>ST</b>	County <b>EDDY</b>	
atitı	ude <b>32.30</b> 9	7753		ı	Longitu	de <b>104.04847</b> 8	84	<u> </u>		NAD 83	
	Take Point		Range	Lot	Feet	From N/S Fe	et T	From F/W	Count	tv	
JL <b>A</b>	Section 18	t (LTP) Township 23S	Range <b>29E</b>	Lot	Feet 1122		et <b>30</b>	From E/W <b>EAST</b>	Count	ty <b>Y</b>	
JL <b>A</b> ∟atitu	Section 18	Township	Range 29E	Lot		NORTH 3	30	From E/W <b>EAST</b>	Count <b>EDD</b> NAD	83	
JL <b>A</b> -atitu	Section 18  32.3	Township 23S	29E		Longitu	NORTH   33	30	From E/W EAST	EDD	Ϋ́	
JL A atitu this	Section 18  32.3  well the	Township 23S 093192 defining w	ell for the	e Horizo	Longitudontal Spa	NORTH   33	83	EAST	NAD NAD	83	for Horizonta
JL <b>A</b> atitu this	Section 18  32.3  Swell the swell an i	Township 23S 093192 defining w	ell for the	e Horizo	Longitudontal Spa	NORTH   33	83	EAST	NAD NAD	83	for Horizonta

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

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Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

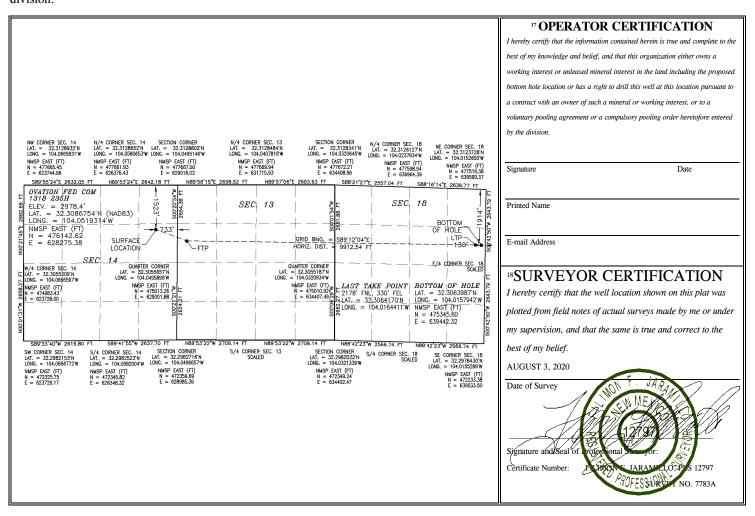
1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

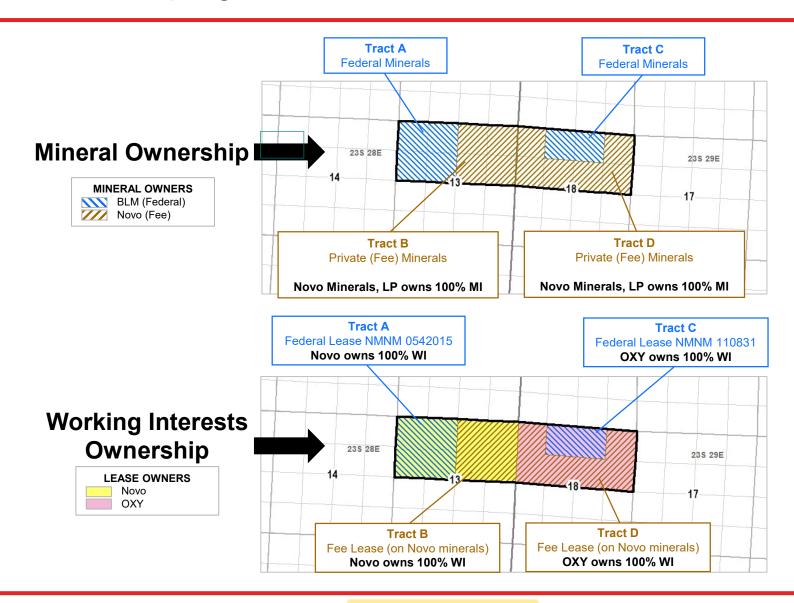
<sup>1</sup> API Number				<sup>2</sup> Pool Code	e	<sup>3</sup> Pool Name				
<sup>4</sup> Property Code					<sup>5</sup> Property Name				<sup>6</sup> Well Number	
OVATION FED COM 1318								235H		
<sup>7</sup> OGRID	No.				<sup>8</sup> Operator	Name			<sup>9</sup> Elevation	
372920 NO				O OIL &	L & GAS NORTHERN DELAWARE, LLC				2978.4	
					<sup>10</sup> Surfac	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
H	14	23 S	28 E		1523	NORTH	733	EAS	ST	EDDY
			пB	ottom H	ole Location	If Different Fi	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
H	18	23 S	29 E		1914	NORTH	130	EAS	ST	EDDY
12 Dedicated Acro	es 13 Joint	or Infill 1	<sup>4</sup> Consolidation	ı Code	•	•	15 Order No.		<u> </u>	



Inten	t	As Dril	led										
API#	<b>†</b>												
Ope	Operator Name:					Property Name:						Well Number	
Kick (	Off Point	(KOP)											
UL	Section	Township	Range	Lot	Feet		From N	I/S	Feet	F	rom E/W	County	
Latit	<u>l</u> ude				Longitu	ude						NAD	
First Tul	Take Poir	nt (FTP)	Range	Lot	Feet		From N	ı/s	Feet	F	rom E/W	/ County	
Latit			age		Longitu	ıde						NAD	
Latit					Longite	ongredae (N.D.					10,15		
Last 1	Гake Poin	t (LTP)											
UL	Section	Township	Range	Lot	Feet	Fror	m N/S	Feet		From E/	W Cou	inty	
Latit	ude				Longitu	ıde		I			NAI	)	
											<u> </u>		
Is this	s well the	defining v	vell for th	ne Hori	zontal Տլ	pacing	g Unit?			]			
Is this	s well an	infill well?											
	ll is yes p ng Unit.	lease provi	ide API if	availal	ole, Ope	rator I	Name	and v	vell nı	umber f	or Defir	ning well f	or Horizontal
API#	ŧ												
Ope	rator Nai	me:	1			Prop	perty N	ame					Well Number

## Ownership by Tract – Minerals & OGLs





#### BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

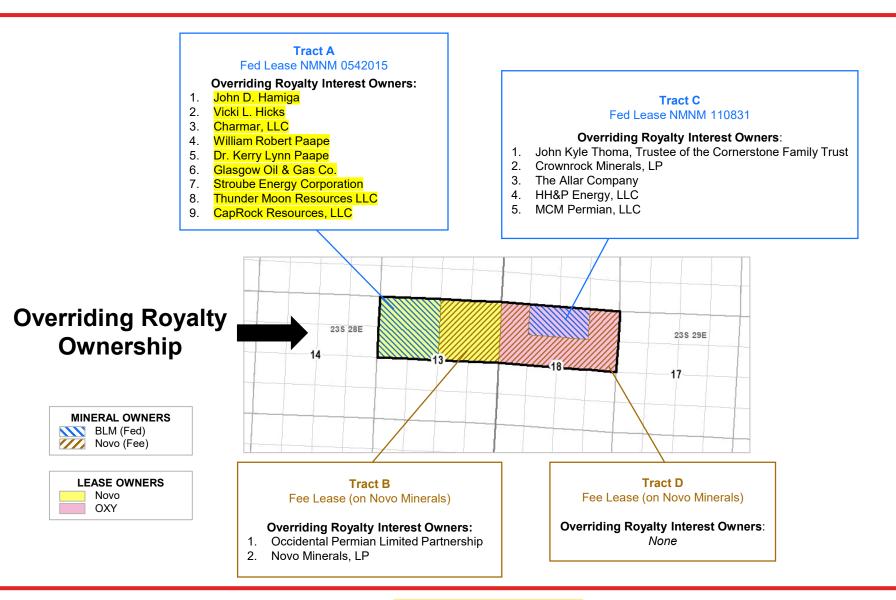
Exhibit No. C3

Submitted by: Novo Oil & Gas Northern Delaware LLC Hearing Date: December 3, 2020

Case Nos. 21549-21550

## **Ownership by Tract - ORRIs**





#### BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. C4

Submitted by: Novo Oil & Gas Northern Delaware LLC

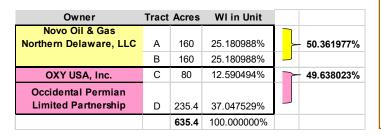
Hearing Date: December 3, 2020 Case Nos. 21549-21550



## **Ownership of Pooled Unit**

# No depth severances, so ownership in Bone Spring and Wolfcamp units is the same





## **Tract A**Fed Lease NMNM 0542015

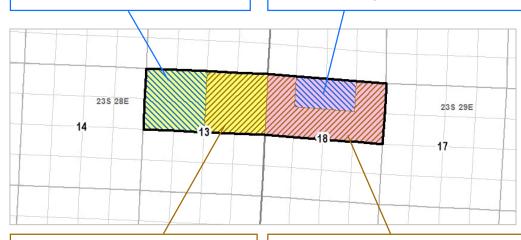
NW/4 of Sec. 13, T-23S R-28E Covering <u>160 acres</u>, more or less

Novo Oil & Gas Northern Delaware, LLC owns 100% WI

## Tract C Fed Lease NMNM 110831

NW/4 NE/4 and NE/4 NW/4 of Sec. 18, T-23S, R-29E Covering <u>80 acres</u>, more or less

OXY USA, Inc. owns 100%



## **Tract B**Fee Lease (on Novo Minerals)

NE/4 of Sec. 13, T-23S, R-28E Covering <u>160 acres</u>, more or less

Novo Oil & Gas Northern Delaware, LLC owns 100% WI

## **Tract D**Fee Lease (on Novo Minerals)

Lots 1 and 2, SE/4 NW/4, S/2 NE/4, and NE/4 NE/4 of Sec. 18, T-23S, R-29E Covering <u>235.4 acres</u>, more or less

Occidental Permian Limited Partnership owns 100% WI

#### **BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico
Exhibit No. C5
Submitted by: Novo Oil & Gas Northern Delaware LLC
Hearing Date: December 3, 2020
Case Nos. 21549-21550



Larry Patrick
Executive Land Advisor
Novo Oil & Gas Northern Delaware, LLC
1001 W. Wilshire Blvd., Suite 206
Oklahoma City, Oklahoma 73116
Office: 405-286-3405
Lpatrick@novoog.com

October 16, 2020

Occidental Permian Limited Partnership 5 Greenway Plaza, Suite 110 Houston, Texas 77046 Attention: Courtney Carr

Re:

Ovation Fed Com 1318 Working Interest Unit

N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)

Lots 1, Lot 2, E/2NW/4 and the NE/4 (a/k/a N/2) of Section 18, Township 23 South, Range 29 East

(315.4 ac)

Eddy County, New Mexico

635.4 acre Working Interest Unit

Proposed Wells:

Ovation Fed Com 1318 131H (Third Bone Spring)

Ovation Fed Com 1318 132H (Third Bone Spring)

Ovation Fed Com 1318 135H (Third Bone Spring)

Ovation Fed Com 1318 211H (Wolfcamp XY)

Ovation Fed Com 1318 212H (Wolfcamp XY)

Ovation Fed Com 1318 215H (Wolfcamp XY)

Ovation Fed Com 1318 221H (Wolfcamp A)

Ovation Fed Com 1318 222H (Wolfcamp A)

Ovation Fed Com 1318 225H (Wolfcamp A)

Ovation Fed Com 1318 231H (Wolfcamp B)

Ovation Fed Com 1318 232H (Wolfcamp B)

Ovation Fed Com 1318 235H (Wolfcamp B)

#### Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes the drilling of the twelve following described Ovation Fed Com 1318 wells located in the N/2 of Section 13, Township 23 South, Range 28 East, and the N/2 of Section 18, Township 23 South, Range 29 East, Eddy County, New Mexico.

The estimated cost of drilling, testing, completing, and equipping of each of the Proposed Wells is itemized on corresponding Authority for Expenditures ("AFE") included herewith. Novo's records reflect that Occidental Permian Limited Partnership ("Occidental") owns a 235.40 net acre leasehold interest in the N/2 of Section 18 representing a 37.047529% working interest in the corresponding 635.4-acre spacing units for each of the proposed wells. A title opinion has been ordered to confirm the interest of all parties.

**BEFORE THE OIL CONSERVATION DIVISION** 

Santa Fe, New Mexico
Exhibit No.C6
Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020 Case Nos. 21549-21550

#### Proposed Well - Ovation Fed Com 1318 131H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 726' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East Last take point: 726' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East

BHL: 726' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,516 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,916 feet.

#### Proposed Well - Ovation Fed Com 1318 132H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,518' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,518' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,518' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,536 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,936 feet.

#### Proposed Well - Ovation Fed Com 1318 135H (Third Bone Spring)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 2,310' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East Last take point: 2,310' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East

BHL: 2,310' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,545 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,945 feet.

#### Proposed Well - Ovation Fed Com 1318 211H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 330' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,671 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,071 feet.

#### Proposed Well - Ovation Fed Com 1318 212H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,681 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,081 feet.

#### Proposed Well - Ovation Fed Com 1318 215H (Wolfcamp XY)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,690 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,090 feet.

#### Proposed Well - Ovation Fed Com 1318 221H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 726' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 726' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 726' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,851 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,251 feet

#### Proposed Well - Ovation Fed Com 1318 222H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,518' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,518' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,518' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,871 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,271 feet.

#### Proposed Well - Ovation Fed Com 1318 225H (Wolfcamp A)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 2,310' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 2,310' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 2,310' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,905 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,305 feet.

#### Proposed Well - Ovation Fed Com 1318 231H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 130' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,534 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,934 feet.

#### Proposed Well - Ovation Fed Com 1318 232H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,554 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,954 feet.

#### Proposed Well - Ovation Fed Com 1318 235H (Wolfcamp B)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,561 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,961 feet.

Novo respectfully requests that Occidental complete the ballot portion of this letter as set forth below indicating Occidental's election as to whether it will participate in the proposed wells and return a copy of this letter with ballot pages included to the attention of the undersigned within thirty (30) days from receipt of this letter. In the event Occidental should elect to participate in the proposed wells, please obtain the proper execution on behalf of Occidental of the enclosed AFEs and return them with Occidental's election. Additional copies of the AFEs are enclosed for your records.

As you are aware, earlier this year Oxy and Novo negotiated the terms of an unexecuted Joint Operating Agreement pertaining to the 635.4 acre Working Interest Unit described herein. I have enclosed a "hard copy" of that JOA which has been executed on behalf of Novo. I have also enclosed a copy of the related Recording Supplement which likewise has been executed on behalf of Novo. In the event it is Occidental's intent to execute the JOA Novo respectfully requests that Occidental fully execute the additional JOA signature page and acknowledgement page provided with this letter, as well as a fully executed copy of the Recording Supplement. Retain for your records the complete JOA form and one copy of the Recording Supplement, both of which have been executed on behalf of Novo. One final note, the only change made to the JOA was a modification to the commencement date of the Initial Well described in Article VI.A. which now reads November 1, 2021. When Novo and Occidental finalized the JOA last June we had agreed to insert the date July 1, 2021, however, Novo is now submitting APDs to the BLM in connection with each of the wells proposed herein and it is our understanding that APDs may take up to 12 months to be approved by the BLM. No other changes have been made to the JOA from when we completed our negotiations last June.

Thank you for your attention to this matter. Should you have any questions regarding the above or if I can in any way be of any assistance please do not hesitate to contact me.

With best regards,

Novo Oil & Gas Northern Delaware, LLC

Larry Patrick

Ovation Fed Com 1318 Working Interest Unit N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac) N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac) Eddy County, New Mexico

<u>Proposed Wells</u> :
Ovation Fed Com 1318 131H (Third Bone Spring)
Participate in the Ovation Fed Com 1318 131H
Not Participate in the Ovation Fed Com 1318 131H
Ovation Fed Com 1318 132H (Third Bone Spring)
Participate in the Ovation Fed Com 1318 132H
Not Participate in the Ovation Fed Com 1318 132H
Ovation Fed Com 1318 135H (Third Bone Spring)
Participate in the Ovation Fed Com 1318 135H
Not Participate in the Ovation Fed Com 1318 135H
Ovation Fed Com 1318 211H (Wolfcamp XY)
Participate in the Ovation Fed Com 1318 211H
Not Participate in the Ovation Fed Com 1318 211H
Ovation Fed Com 1318 212H (Wolfcamp XY)
Participate in the Ovation Fed Com 1318 212H
Not Participate in the Ovation Fed Com 1318 212H

Continued of following page Ballot Page 1 of 3

Participation Ballot

Proposed Wells (continued):
Ovation Fed Com 1318 215H (Wolfcamp XY) Participate in the Ovation Fed Com 1318 215H Not Participate in the Ovation Fed Com 1318 215H
Ovation Fed Com 1318 221H (Wolfcamp A)  Participate in the Ovation Fed Com 1318 221H
Not Participate in the Ovation Fed Com 1318 221H
Ovation Fed Com 1318 222H (Wolfcamp A)
Participate in the Ovation Fed Com 1318 222H
Not Participate in the Ovation Fed Com 1318 222H
Ovation Fed Com 1318 225H (Wolfcamp A)
Participate in the Ovation Fed Com 1318 225H
Not Participate in the Ovation Fed Com 1318 225H
Ovation Fed Com 1318 231H (Wolfcamp B)
Participate in the Ovation Fed Com 1318 231H
Not Participate in the Ovation Fed Com 1318 231H

Continued of following page
Ballot Page 2 of 3

**Participation Ballot** 

Proposed Wells (continued):
Ovation Fed Com 1318 232H (Wolfcamp B)
Participate in the Ovation Fed Com 1318 232H
Not Participate in the Ovation Fed Com 1318 232H
Ovation Fed Com 1318 235H (Wolfcamp B)
Participate in the Ovation Fed Com 1318 235H
Not Participate in the Ovation Fed Com 1318 235H
The foregoing elections are made on behalf of:
Occidental Permian Limited Partnership
By:
Printed Name:
Title:
Date:

End of Ballot Ballot Page 3 of 3



Larry Patrick
Executive Land Advisor
Novo Oil & Gas Northern Delaware, LLC
1001 W. Wilshire Blvd., Suite 206
Oklahoma City, Oklahoma 73116
Office: 405-286-3405
Lpatrick@novoog.com

October 16, 2020

OXY USA Inc. 5 Greenway Plaza, Suite 110 Houston, Texas 77046 Attention: Courtney Carr

Re:

Ovation Fed Com 1318 Working Interest Unit

N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)

Lots 1, Lot 2, E/2NW/4 and the NE/4 (a/k/a N/2) of Section 18, Township 23 South, Range 29 East

(315.4 ac)

Eddy County, New Mexico

635.4 acre Working Interest Unit

#### Proposed Wells:

Ovation Fed Com 1318 131H (Third Bone Spring)

Ovation Fed Com 1318 132H (Third Bone Spring)

Ovation Fed Com 1318 135H (Third Bone Spring)

Ovation Fed Com 1318 211H (Wolfcamp XY)

Ovation Fed Com 1318 212H (Wolfcamp XY)

Ovation Fed Com 1318 215H (Wolfcamp XY)

Ovation Fed Com 1318 221H (Wolfcamp A)

Ovation Fed Com 1318 222H (Wolfcamp A)

Ovation Fed Com 1318 225H (Wolfcamp A)

Ovation Fed Com 1318 231H (Wolfcamp B)

Ovation Fed Com 1318 232H (Wolfcamp B)

Ovation Fed Com 1318 235H (Wolfcamp B)

#### Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes the drilling of the twelve following described Ovation Fed Com 1318 wells located in the N/2 of Section 13, Township 23 South, Range 28 East, and the N/2 of Section 18, Township 23 South, Range 29 East, Eddy County, New Mexico.

The estimated cost of drilling, testing, completing, and equipping of each of the Proposed Wells is itemized on corresponding Authority for Expenditures ("AFE") included herewith. Novo's records reflect that OXY USA Inc. ("OXY") owns an 80.0 net acre leasehold interest in the N/2 of Section 18 representing a 12.590494% working interest in the corresponding 635.4-acre spacing units for each of the proposed wells. A title opinion has been ordered to confirm the interest of all parties.

#### Proposed Well - Ovation Fed Com 1318 131H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 726' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East Last take point: 726' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East

BHL: 726' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,516 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,916 feet.

#### Proposed Well - Ovation Fed Com 1318 132H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,518' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 1,518' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,518' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,536 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,936 feet.

#### Proposed Well - Ovation Fed Com 1318 135H (Third Bone Spring)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 2,310' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East Last take point: 2,310' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East

BHL: 2,310' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,545 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,945 feet.

#### Proposed Well - Ovation Fed Com 1318 211H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 330' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,671 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,071 feet.

#### Proposed Well - Ovation Fed Com 1318 212H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,681 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,081 feet.

#### Proposed Well - Ovation Fed Com 1318 215H (Wolfcamp XY)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,690 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,090 feet.

#### Proposed Well - Ovation Fed Com 1318 221H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 726' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 726' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 726' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,851 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,251 feet.

#### Proposed Well - Ovation Fed Com 1318 222H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,518' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East

Last take point: 1,518' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 1,518' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,871 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,271 feet.

#### Proposed Well - Ovation Fed Com 1318 225H (Wolfcamp A)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 2,310' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 2,310' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: 2,310' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East

The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,905 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,305 feet.

#### Proposed Well - Ovation Fed Com 1318 231H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

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The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,534 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,934 feet.

#### Proposed Well - Ovation Fed Com 1318 232H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

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#### Proposed Well - Ovation Fed Com 1318 235H (Wolfcamp B)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East

First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East

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The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,561 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,961 feet.

Novo respectfully requests that OXY complete the ballot portion of this letter as set forth below indicating OXY's election as to whether it will participate in the proposed wells and return a copy of this letter with ballot pages included to the attention of the undersigned within thirty (30) days from receipt of this letter. In the event OXY should elect to participate in the proposed wells, please obtain the proper execution on behalf of OXY of the enclosed AFEs and return them with OXY's election. Additional copies of the AFEs are enclosed for your records.

As you are aware, earlier this year OXY and Novo negotiated the terms of an unexecuted Joint Operating Agreement pertaining to the 635.4 acre Working Interest Unit described herein. I have enclosed a "hard copy" of that JOA which has been executed on behalf of Novo. I have also enclosed a copy of the related Recording Supplement which likewise has been executed on behalf of Novo. In the event it is OXY's intent to execute the JOA Novo respectfully requests that OXY fully execute the additional JOA signature page and acknowledgement page provided with this letter, as well as a fully executed copy of the Recording Supplement. Retain for your records the complete JOA form and one copy of the Recording Supplement, both of which have been executed on behalf of Novo. One final note, the only change made to the JOA was a modification to the commencement date of the Initial Well described in Article VI.A. which now reads November 1, 2021. When Novo and OXY finalized the JOA last June we had agreed to insert the date July 1, 2021, however, Novo is now submitting APDs to the BLM in connection with each of the wells proposed herein and it is our understanding that APDs may take up to 12 months to be approved by the BLM. No other changes have been made to the JOA from when we completed our negotiations last June.

Thank you for your attention to this matter. Should you have any questions regarding the above or if I can in any way be of any assistance please do not hesitate to contact me.

With best regards,

Novo Oil & Gas Northern Delaware, LLC

Larry Patrick

Ovation Fed Com 1318 Working Interest Unit N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac) N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac) Eddy County, New Mexico

Proposed Wells:
Ovation Fed Com 1318 131H (Third Bone Spring)
Participate in the Ovation Fed Com 1318 131H
Not Participate in the Ovation Fed Com 1318 131H
Ovation Fed Com 1318 132H (Third Bone Spring)
Participate in the Ovation Fed Com 1318 132H
Not Participate in the Ovation Fed Com 1318 132H
Ovation Fed Com 1318 135H (Third Bone Spring)
Participate in the Ovation Fed Com 1318 135H
Not Participate in the Ovation Fed Com 1318 135H
Ovation Fed Com 1318 211H (Wolfcamp XY)
Participate in the Ovation Fed Com 1318 211H
Not Participate in the Ovation Fed Com 1318 211H
Ovation Fed Com 1318 212H (Wolfcamp XY)
Participate in the Ovation Fed Com 1318 212H
Not Participate in the Ovation Fed Com 1318 212H

Continued of following page Ballot Page 1 of 3

Ovation Fed Com 1318 Working Interest Unit N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac) N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac) Eddy County, New Mexico

<u>Proposed Wells (continued)</u> :
Ovation Fed Com 1318 215H (Wolfcamp XY) Participate in the Ovation Fed Com 1318 215H
Not Participate in the Ovation Fed Com 1318 215H
Ovation Fed Com 1318 221H (Wolfcamp A)
Participate in the Ovation Fed Com 1318 221H
Not Participate in the Ovation Fed Com 1318 221H
Ovation Fed Com 1318 222H (Wolfcamp A)
Participate in the Ovation Fed Com 1318 222H
Not Participate in the Ovation Fed Com 1318 222H
Ovation Fed Com 1318 225H (Wolfcamp A)
Participate in the Ovation Fed Com 1318 225H
Not Participate in the Ovation Fed Com 1318 225H
Ovation Fed Com 1318 231H (Wolfcamp B)
Participate in the Ovation Fed Com 1318 231H
Not Participate in the Ovation Fed Com 1318 231H

Ovation Fed Com 1318 Working Interest Unit N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac) N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac) Eddy County, New Mexico

Proposed Wells (continued):
Ovation Fed Com 1318 232H (Wolfcamp B)
Participate in the Ovation Fed Com 1318 232H
Not Participate in the Ovation Fed Com 1318 232H
Ovation Fed Com 1318 235H (Wolfcamp B)
Participate in the Ovation Fed Com 1318 235H
Not Participate in the Ovation Fed Com 1318 235H
The foregoing elections are made on behalf of:
OXY USA Inc.
By:
Printed Name:
Title:
Date:



WELL NAME	Ovation Fed Com 1318 131H	AFE TYPE	Development	AFE NUMBER	2015065
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	20.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9516 'TVD/20916' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
DDO IECT DESCRIPTION	Drilling completion facilities and pipeline costs for	0 000' horizonta	l woll		

	M-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY		STATE	New Mexico
PROJE	CT DESCRIPTION	Drilling, completion, facilities and pipeline or	osts for 9,900' horizonta	al well		
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE	
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	
	SURVEY/PERMITS/DAM	AGES/LEGAL		\$ 30,000		\$ 30,000
	LOCATION & ROAD			212,500		212,500
	RIG MOVE			150,000		150,000
	DRILLING - FOOTAGE			40,000		40,000
	DRILLING - DAYWORK COMPLETION/WORKO	/ED DIC		449,650		449,650 0
	COIL TUBING/SNUBBIN				90,000	90,000
	SLICKLINE/SWABBING	O OIVIT			90,000	90,000
	BITS			100,000	5,000	105,000
	DIRECTIONAL SERVICE	S		185,000		185,000
11	CASING CREW			45,000		45,000
12	TOOL & EQUIPMENT RE	ENTAL		82,000	60,000	142,000
13	FUEL & POWER			95,625		95,625
	DIESEL - BASE FOR MU			70,000		70,000
	MUD LOGGING & GEOL			20,250		20,250
	DISPOSAL, RESTORAT	ON & BACKFILL		108,000	00.000	108,000
	TRUCKING			60,000	20,000	80,000
	TESTING CEMENTING			138,000		138,000
	PERFORATING			130,000	198,000	198,000
	CASED HOLE LOGS				130,000	0
	DOWNHOLE TOOLS & S	SERVICE		25,000	38,400	63,400
	OTHER STIMULATION	-		1,111		0
24	FORMATION STIMULAT	ION			1,728,000	1,728,000
25	CONSULTING SERVICE	S			20,000	20,000
	SUPERVISION			71,400	50,000	121,400
	CONTRACT LABOR			40,000	20,000	60,000
	OTHER LABOR				80,000	80,000
	COMPANY CONSULTIN	G/SUPV		40.000	700.000	740,000
	WATER			40,000	700,000	740,000 135,000
	FLUIDS & CHEMICALS CORING & ANALYSIS			135,000		135,000
	COMMUNICATIONS			5,000	10,000	15,000
	BOP TESTING			20,000	10,000	30,000
	FISHING TOOLS & SER	VICES			,	0
	INSPECTIONS			10,000	5,000	15,000
38	WIRELINE SERVICES					0
39	ENGINEERING & GEOL	OGY - FIELD				0
	ENGINEERING & GEOL	OGY - OFFICE				0
	MULTISHOT & GYRO					0
	RE-ENTRY SERVICES			20.425	24 500	0 00 005
	CAMPS & TRAILERS SAFETY EQUIPMENT &	Line		29,125 2,000	31,500 5,000	60,625 7,000
	CONTINGENCY	1123		50,000	3,000	50,000
	INSURANCE			0	2,000	2,000
47	MISCELLANEOUS			10,000	10,000	20,000
	SIM-OPS			,		0
	TOTAL INTANGIBLE CO	STS		\$ 2,223,550	\$ 3,082,900	
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	
	CASING - CONDUCTOR			\$ 20,000		\$ 20,000
	CASING - SURFACE	r=		16,840		16,840
	CASING - INTERMEDIAT			248,615		248,615
	CASING - INTERMEDIA  CASING - PRODUCTION			322,106		322,106
	SUBSURFACE EQUIPM			20,000	25,000	45,000
	PRODUCTION TUBING			20,000	74,360	74,360
	SUBSURFACE PUMPIN	G EQUIPMENT			,500	0
	WELLHEAD EQUIPMEN			40,000	90,000	130,000
10	FLOWLINES				100,000	100,000
	SURFACE PUMPING EC					0
	LINER HANGER & ASSO	OC EQUIP				0
	VALVES & FITTINGS				200,000	200,000
	RODS				10.000	0
	TRUCKING				10,000	10,000
	RE-ENTRY EQUIPMENT PRODUCTION EQUIPMING				600,000	600,000
	MISCELLANEOUS	-IV I		20,000	10,000	30,000
	TANGIBLE EQUIP-ACQU	JISITIONS		20,000	10,000	30,000
	TOTAL INTANGIBLE CO			\$ 687,561	\$ 1,109,360	
	TOTAL ESTIMATED	WELL COST		\$ 2,911,111	\$ 4,192,260	\$ 7,103,371

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#1997	coo	DATE:	10-15-2020
OPERATOR APPROVAL:	I do to	CEO or CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI E:				



WELL NAME	Ovation Fed Com 1318 132H	AFE TYPE	Development	AFE NUMBER	2015066
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	20.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9536 'TVD/20936' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
DDO IECT DESCRIPTION	Drilling completion facilities and pipeline costs for	0 000' horizonta	l woll		

ACCT. CODE 01 SU	DESCRIPTION  JRVEY/PERMITS/DAMA DCATION & ROAD	Drilling, completion, facilities and pipeline  DESCRIPTION OF EXPENDITURE  INTANGIBLE COSTS	costs for 9,900' horizonta	ıl well	COST ESTIMATE		
CODE 01 SU					COST ESTIMATE		
CODE SU					COSTESTIMATE		
01 SU		IN I ANGIDLE COSTS		DBILLING (200)	COMPLETION (500)		
		CES/LEGAL		<b>DRILLING (300)</b> \$ 30,000	COMPLETION (500)	\$	30,000
02 LO		IGES/LEGAL		212,500		φ	212,500
03 RIC	G MOVE			150,000			150,000
	RILLING - FOOTAGE			40,000			40,000
	RILLING - DAYWORK			449,650			449,650
	OMPLETION/WORKOVE	ER RIG		110,000			0
	OIL TUBING/SNUBBING				90,000		90,000
	ICKLINE/SWABBING				,		0
09 BIT	TS			100,000	5,000		105,000
10 DIF	RECTIONAL SERVICES	3		185,000			185,000
11 CA	ASING CREW			45,000			45,000
12 TO	OOL & EQUIPMENT REI	NTAL		82,000	60,000		142,000
13 FU	JEL & POWER			95,625			95,625
14 DIE	ESEL - BASE FOR MUD	)		70,000			70,000
15 MU	JD LOGGING & GEOLO	GIST		20,250			20,250
	SPOSAL, RESTORATION	ON & BACKFILL		108,000			108,000
	RUCKING			60,000	20,000		80,000
	STING						0
	MENTING			138,000			138,000
	RFORATING				198,000		198,000
	ASED HOLE LOGS	-D. 40F					0
	OWNHOLE TOOLS & SE	ERVICE		25,000	38,400		63,400
	THER STIMULATION	241			4 700 000		0
	DRMATION STIMULATION				1,728,000		1,728,000
	DNSULTING SERVICES	)		74 400	20,000		20,000
	JPERVISION ARCH			71,400 40,000	50,000		121,400
	ONTRACT LABOR			40,000	20,000 80,000		60,000
	THER LABOR DMPANY CONSULTING	/SLIDV			60,000		80,000
	ATER	730F V		40,000	700,000		740,000
	UIDS & CHEMICALS			135,000	700,000		135,000
	ORING & ANALYSIS			100,000			0
	OMMUNICATIONS			5,000	10,000		15,000
	OP TESTING			20,000	10,000		30,000
	SHING TOOLS & SERV	ICES		1,75.5.5	2,111		0
	SPECTIONS			10,000	5,000		15,000
38 WII	IRELINE SERVICES						0
39 EN	IGINEERING & GEOLO	GY - FIELD					0
40 EN	IGINEERING & GEOLO	GY - OFFICE					0
	JLTISHOT & GYRO						0
42 RE	E-ENTRY SERVICES						0
	AMPS & TRAILERS			29,125	31,500		60,625
	AFETY EQUIPMENT & H	12S		2,000	5,000		7,000
	ONTINGENCY			50,000			50,000
	SURANCE			0	2,000		2,000
	SCELLANEOUS			10,000	10,000		20,000
	M-OPS <b>DTAL INTANGIBLE CO</b> S	e Te		¢ 2222 EE0	¢ 2,002,000	¢	0 E 306 450
10	TAL INTANGIBLE COS			\$ 2,223,550		Þ	5,306,450 TOTAL
01 CA	VEINIC CONDUCTOR	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	¢.	
	ASING - CONDUCTOR ASING - SURFACE			\$ 20,000 16,840		\$	20,000 16,840
	ASING - SURFACE ASING - INTERMEDIATE			248,615			248,615
	ASING - INTERMEDIATE			240,015			248,615
	ASING - INTERMEDIATE			322,414			322,414
	JBSURFACE EQUIPME			20,000	25,000		45,000
	RODUCTION TUBING			20,000	74,360		74,360
	JBSURFACE PUMPING	EQUIPMENT			7-1,000		0
	ELLHEAD EQUIPMENT			40,000	90,000		130,000
	OWLINES			12,230	100,000		100,000
	JRFACE PUMPING EQU	JIPMENT			,.,.		0
	NER HANGER & ASSO						0
	ALVES & FITTINGS				200,000		200,000
15 RO	DDS						0
17 TR	RUCKING				10,000		10,000
	E-ENTRY EQUIPMENT						0
34 PR	RODUCTION EQUIPME	NT			600,000		600,000
	SCELLANEOUS			20,000	10,000		30,000
	NGIBLE EQUIP-ACQUI						0
то	OTAL INTANGIBLE COS	STS		\$ 687,869	\$ 1,109,360	\$	1,797,229
TO	OTAL ESTIMATED W	VELL COST		\$ 2,911,419	\$ 4,192,260	\$	7,103,679

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#397	coo	DATE:	10-15-2020
OPERATOR APPROVAL:	John Fried	CEO of CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:				



WELL NAME	Ovation Fed Com 1318 135H	AFE TYPE	Development	AFE NUMBER	2015067
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	20.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9545 'TVD/20945' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION Drilling, completion, facilities and pipeline costs for 9,900' horizontal well					

	M-HOLE LOCATION CT DESCRIPTION	Section 18-23S-29E SE/4 NE/4  Drilling, completion, facilities and pipeline of	COUNTY	Eddy County	STATE	New	Mexico
	ST DESCRIPTION		0313 101 9,900 1101120111	ai weli			
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE	1	
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAM	AGES/LEGAL		\$ 30,000		\$	30,000
	LOCATION & ROAD			212,500			212,500
	RIG MOVE			150,000			150,000
	DRILLING - FOOTAGE DRILLING - DAYWORK			40,000 449,650			40,000
	COMPLETION/WORKOV	(ED DIC		449,050			449,650
	COIL TUBING/SNUBBING				90,000		90,000
	SLICKLINE/SWABBING	3 ONT			90,000		90,000
	BITS			100,000	5,000		105,000
	DIRECTIONAL SERVICE	S		185,000	,		185.000
	CASING CREW	.0		45,000			45,000
	TOOL & EQUIPMENT RE	ΝΤΔΙ		82,000			142,000
	FUEL & POWER	INTAL		95,625	,		95,625
	DIESEL - BASE FOR MU	D		70,000			70,000
	MUD LOGGING & GEOL			20,250			20,250
	DISPOSAL, RESTORATI			108,000			108,000
	TRUCKING	ON & BAON ILL		60,000			80,000
	TESTING			00,000	20,000		00,000
	CEMENTING			138,000	1		138,000
	PERFORATING			100,000	198,000		198,000
	CASED HOLE LOGS				130,000		190,000
	DOWNHOLE TOOLS & S	SERVICE		25,000	38,400		63,400
	OTHER STIMULATION			20,000	30,100		0
	FORMATION STIMULAT	ION			1,728,000		1,728,000
	CONSULTING SERVICE				20,000		20,000
	SUPERVISION			71,400	,		121,400
	CONTRACT LABOR			40,000	,		60.000
	OTHER LABOR			10,000	80,000		80,000
	COMPANY CONSULTING	G/SUPV			33,333		0
	WATER			40,000	700,000		740,000
	FLUIDS & CHEMICALS			135,000	,		135,000
	CORING & ANALYSIS			100,000			0
	COMMUNICATIONS			5,000	10,000		15,000
	BOP TESTING			20,000	,		30,000
	FISHING TOOLS & SERV	/ICES			.,		0
	INSPECTIONS	-		10,000	5,000		15,000
	WIRELINE SERVICES						0
	ENGINEERING & GEOLG	OGY - FIELD					0
40	ENGINEERING & GEOLG	OGY - OFFICE					0
	MULTISHOT & GYRO						0
42	RE-ENTRY SERVICES						0
43	CAMPS & TRAILERS			29,125	31,500		60,625
44	SAFETY EQUIPMENT &	H2S		2,000	5,000		7,000
45	CONTINGENCY			50,000			50,000
46	INSURANCE			C	2,000		2,000
	MISCELLANEOUS			10,000	10,000		20,000
49	SIM-OPS						0
	TOTAL INTANGIBLE CO	STS		\$ 2,223,550	\$ 3,082,900	\$	5,306,450
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
01	CASING - CONDUCTOR			\$ 20,000		\$	20,000
02	CASING - SURFACE			16,840			16,840
03	CASING - INTERMEDIAT	E		248,615	<u> </u>		248,615
04	CASING - INTERMEDIAT	E 2					0
05	CASING - PRODUCTION	I / LINER		322,553			322,553
06	SUBSURFACE EQUIPME	ENT		20,000	,		45,000
	PRODUCTION TUBING				74,360		74,360
	SUBSURFACE PUMPING						0
	WELLHEAD EQUIPMEN	Т		40,000	,		130,000
	FLOWLINES				100,000		100,000
	SURFACE PUMPING EC					1	0
	LINER HANGER & ASSO	OC EQUIP					0
	VALVES & FITTINGS				200,000		200,000
	RODS						0
	TRUCKING				10,000		10,000
	RE-ENTRY EQUIPMENT					1	0
	PRODUCTION EQUIPME	ENT			600,000	1	600,000
	MISCELLANEOUS			20,000	10,000	1	30,000
	TANGIBLE EQUIP-ACQL					ļ.,	0
	TOTAL INTANGIBLE CO	STS		\$ 688,008	\$ 1,109,360	\$	1,797,368
	TOTAL ESTIMATED V	WELL COST		\$ 2,911,558	\$ 4,192,260	\$	7,103,818
	LO I III A I LD			-,511,000	-,.02,200	Ψ	.,,

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#1997	coo	DATE:	10-15-2020
OPERATOR APPROVAL:	I de time	CEO of CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:				



WELL NAME	Ovation Fed Com 1318 211H	AFE TYPE	Development	AFE NUMBER	2015071
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9671 'TVD/21071' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION Drilling, completion, facilities and pipeline costs for 9,900' horizontal well					

ACCT.	DESCRIPTION OF EXPENDITURE		COST ESTIMATE		
CODE		DRILLING (300)	COMPLETION (500)		
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$	30,00
02	LOCATION & ROAD	212,500		2	212,50
03	RIG MOVE	150,000			150,00
04	DRILLING - FOOTAGE	40,000			40,00
05	DRILLING - DAYWORK	466,650		4	166,65
06	COMPLETION/WORKOVER RIG		00.000		90,00
07 08	COIL TUBING/SNUBBING UNIT SLICKLINE/SWABBING		90,000		90,00
09	BITS	100,000	5,000	1	105,00
10	DIRECTIONAL SERVICES	195,000	0,000		195,00
11	CASING CREW	45,000			45,00
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	1	146,00
13	FUEL & POWER	99,375			99,37
14	DIESEL - BASE FOR MUD	70,000			70,00
15	MUD LOGGING & GEOLOGIST	21,750			21,75
16	DISPOSAL, RESTORATION & BACKFILL	108,000	00.000		108,00
17 18	TRUCKING TESTING	60,000	20,000		80,00
19	CEMENTING	138,000		1	138,00
20	PERFORATING	130,000	198,000		198,00
21	CASED HOLE LOGS		100,000		190,00
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400		63,40
23	OTHER STIMULATION	,	,		,
24	FORMATION STIMULATION		1,728,000	1,7	728,00
25	CONSULTING SERVICES		20,000		20,00
26	SUPERVISION	74,200	50,000		124,20
27	CONTRACT LABOR	40,000	20,000		60,00
28	OTHER LABOR		80,000		80,00
29 30	COMPANY CONSULTING/SUPV WATER	40,000	700,000	7	40,00
31	FLUIDS & CHEMICALS	135,000	700,000		135,00
32	CORING & ANALYSIS	100,000			100,00
33	COMMUNICATIONS	5,000	10,000		15,00
34	BOP TESTING	20,000	10,000		30,00
36	FISHING TOOLS & SERVICES				
37	INSPECTIONS	10,000	5,000		15,00
38	WIRELINE SERVICES				
39	ENGINEERING & GEOLOGY - FIELD				
40 41	ENGINEERING & GEOLOGY - OFFICE				
42	MULTISHOT & GYRO  RE-ENTRY SERVICES				
43	CAMPS & TRAILERS	29,875	31,500		61,37
44	SAFETY EQUIPMENT & H2S	2,000	5,000		7,00
45	CONTINGENCY	50,000	1,111		50,00
46	INSURANCE	0	2,000		2,00
47	MISCELLANEOUS	10,000	10,000		20,00
49	SIM-OPS				
	TOTAL INTANGIBLE COSTS	\$ 2,263,350			346,25
			COMPLETION (600)	TOTAL	
01	TANGIBLE COSTS	DRILLING (400)	(1117)	¢	
01	CASING - CONDUCTOR	\$ 20,000			20,00
02	CASING - CONDUCTOR CASING - SURFACE	\$ 20,000 16,840	(***)		20,00 16,84
02 03	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE	\$ 20,000			20,00 16,84 248,61
02	CASING - CONDUCTOR CASING - SURFACE	\$ 20,000 16,840		2	
02 03 04	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2	\$ 20,000 16,840 248,615	25,000	2	20,00 16,84 248,61 324,49
02 03 04 05	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER	\$ 20,000 16,840 248,615	25,000 74,360	3	20,00 16,84 248,61 324,49 45,00
02 03 04 05 06	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT	\$ 20,000 16,840 248,615		3	20,00 16,84 248,61 324,49 45,00 74,36
02 03 04 05 06 07 08	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT	\$ 20,000 16,840 248,615	74,360 90,000	3	20,00 16,84 248,61 324,49 45,00 74,36
02 03 04 05 06 07 08 09	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES	\$ 20,000 16,840 248,615 324,493 20,000	74,360	3	20,00 16,84 248,61 324,49 45,00 74,36
02 03 04 05 06 07 08 09 10	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000	3	20,00 16,84 248,61 324,49 45,00 74,36
02 03 04 05 06 07 08 09 10 11	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000	3	20,00 16,84 248,61 324,49 45,00 74,36 130,00
02 03 04 05 06 07 08 09 10 11 12	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000	3	20,00 16,84 248,61 324,49 45,00 74,36 130,00 100,00
02 03 04 05 06 07 08 09 10 11 12 13	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000 200,000	3	20,00 16,84 248,61 324,49 45,00 74,36 130,00 100,00
02 03 04 05 06 07 08 09 10 11 12 13 15	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS TRUCKING	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000	3	20,00 16,84 248,61 324,49 45,00 74,36 130,00 100,00
02 03 04 05 06 07 08 09 10 11 12 13 15 17	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS TRUCKING RE-ENTRY EQUIPMENT	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000 200,000	1 1 2 2	20,00 16,84 248,61 324,49 45,00 74,36 130,00 100,00
02 03 04 05 06 07 08 09 10 11 12 13 15	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS TRUCKING RE-ENTRY EQUIPMENT PRODUCTION EQUIPMENT PRODUCTION EQUIPMENT	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000 200,000	1 1 2 2	20,000 16,84 248,61 324,49 45,00 74,36 130,00 100,00 10,00
02 03 04 05 06 07 08 09 10 11 12 13 15 17 20 34	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS TRUCKING RE-ENTRY EQUIPMENT	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000 200,000 10,000 600,000	1 1 2 2	20,000 116,84 448,61 45,00 74,36 30,00 100,00 10,00 10,00 30,00 30,00
02 03 04 05 06 07 08 09 10 11 12 13 15 17 20 34	CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE 2 CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT FLOWLINES SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS TRUCKING RE-ENTRY EQUIPMENT PRODUCTION EQUIPMENT MISCELLANEOUS	\$ 20,000 16,840 248,615 324,493 20,000	74,360 90,000 100,000 200,000 10,000 600,000	2 3 3 1 1 1 2	20,00 16,84 248,61 324,49 45,00 74,36

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	44900	C00	DATE:	10-15-2020
OPERATOR APPROVAL:	I de time	CEO o CFO	DATE:	10/15/2020
			·-	
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE.			_	



WELL NAME	Ovation Fed Com 1318 212H	AFE TYPE	Development	AFE NUMBER	2015072
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9681 'TVD/21081' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

	M-HOLE LOCATION CT DESCRIPTION	Section 18-23S-29E NE/4 NE/4  Drilling, completion, facilities and pipeline of	costs for 9.900' horizon	Eddy County tal well	STATE	New	Mexico
					0007 507111475		
ACCT.		DESCRIPTION OF EXPENDITURE		DDII I ING (000)	COST ESTIMATE		
CODE	OLIDVEY/DEDMITO/DAM	INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		20.000
	SURVEY/PERMITS/DAM	AGES/LEGAL		\$ 30,000		\$	30,000
	LOCATION & ROAD			212,50			212,500
	RIG MOVE			150,000			150,000
	DRILLING - FOOTAGE			40,00			40,000
	DRILLING - DAYWORK			466,65	)		466,650
	COMPLETION/WORKOV						0
	COIL TUBING/SNUBBIN	G UNIT			90,000		90,000
	SLICKLINE/SWABBING						0
09	BITS			100,000	,		105,000
10	DIRECTIONAL SERVICE	S		195,00	)		195,000
11	CASING CREW			45,00	)		45,000
12	TOOL & EQUIPMENT RE	NTAL		86,00	60,000		146,000
13	FUEL & POWER			99,37	5		99,375
	DIESEL - BASE FOR MU	D		70,00	)		70,000
	MUD LOGGING & GEOL			21,750			21,750
	DISPOSAL, RESTORATI			108,000			108,000
	TRUCKING	ON & BACKI IEE		60,00			
				00,00	20,000	-	80,000
	TESTING			100.00		1	0
	CEMENTING			138,00			138,000
	PERFORATING				198,000	1	198,000
	CASED HOLE LOGS						0
	DOWNHOLE TOOLS & S	SERVICE		25,00	38,400		63,400
	OTHER STIMULATION						0
	FORMATION STIMULAT				1,728,000		1,728,000
25	CONSULTING SERVICE	S			20,000		20,000
26	SUPERVISION			74,20	50,000		124,200
27	CONTRACT LABOR			40,00	20,000		60,000
	OTHER LABOR				80,000		80,000
	COMPANY CONSULTING	G/SUPV					0
	WATER			40,00	700,000		740,000
	FLUIDS & CHEMICALS			135,00			135,000
	CORING & ANALYSIS			133,000			133,000
				F 000	10,000		
	COMMUNICATIONS			5,00			15,000
	BOP TESTING			20,000	10,000		30,000
	FISHING TOOLS & SERV	VICES					0
	INSPECTIONS			10,000	5,000		15,000
	WIRELINE SERVICES						0
	ENGINEERING & GEOLO						0
40	ENGINEERING & GEOLG	OGY - OFFICE					0
41	MULTISHOT & GYRO						0
42	RE-ENTRY SERVICES						0
43	CAMPS & TRAILERS			29,87	5 31,500		61,375
	SAFETY EQUIPMENT &	H2S		2,00	5,000		7,000
	CONTINGENCY			50,00			50,000
	INSURANCE			,	2,000		2,000
	MISCELLANEOUS			10,000	,		20,000
				10,000	10,000		
	SIM-OPS	ACTO		¢ 2.262.25	2 002 000	•	0 E 246 250
	TOTAL INTANGIBLE CO			\$ 2,263,35		_	5,346,250
0.1	040110 00117::27	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
	CASING - CONDUCTOR			\$ 20,000		\$	20,000
	CASING - SURFACE			16,84			16,840
	CASING - INTERMEDIAT			248,61	0		248,615
	CASING - INTERMEDIAT						0
05	CASING - PRODUCTION	I / LINER		324,64	7		324,647
06	SUBSURFACE EQUIPMI	ENT		20,000	25,000	l T	45,000
07	PRODUCTION TUBING				74,360		74,360
80	SUBSURFACE PUMPING	G EQUIPMENT					0
09	WELLHEAD EQUIPMEN	Т		40,00	90,000		130,000
	FLOWLINES			.,	100,000		100,000
	SURFACE PUMPING EC	DUIPMENT					0
	LINER HANGER & ASSO						0
	VALVES & FITTINGS				200,000	1	200,000
	RODS				200,000	1	
					10.000	1	0
	TRUCKING				10,000		10,000
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPME	=N I			600,000		600,000
	MISCELLANEOUS			20,00	10,000		30,000
	TANGIBLE EQUIP-ACQU						0
	TOTAL INTANGIBLE CO	STS		\$ 690,10	2 \$ 1,109,360	\$	1,799,462
	TOTAL ESTIMATED	WELL COST		\$ 2,953,452	2 \$ 4,192,260	\$	7,145,712
	I O I AL LUTINIA I ED	TELE 0001		Ψ 2,900,402	- Ψ -+, 132,200	Ψ	1,140,112

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#199		DATE:	10-15-2020
OPERATOR APPROVAL:	I She time	CEO o CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:				



WELL NAME	Ovation Fed Com 1318 215H	AFE TYPE	Development	AFE NUMBER	2015073
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9690 'TVD/21090' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
DECT DESCRIPTION Drilling completion facilities and pinaling costs for 0.000' begreented well					

	M-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	_ , ,	STATE	New Mexico
PROJE	CT DESCRIPTION	Drilling, completion, facilities and pipeline c	osts for 9,900' horizont	al well		
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE	
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	
01	SURVEY/PERMITS/DAM			\$ 30,000	` '	\$ 30,000
02	LOCATION & ROAD			212,500		212,500
	RIG MOVE			150,000		150,000
	DRILLING - FOOTAGE			40,000		40,000
	DRILLING - DAYWORK	/ED DIC		466,650		466,650
	COMPLETION/WORKON COIL TUBING/SNUBBIN				90,000	90,000
	SLICKLINE/SWABBING	GUNII			90,000	90,000
	BITS			100,000	5,000	105,000
	DIRECTIONAL SERVICE	S		195,000	5,555	195,000
	CASING CREW			45,000		45,000
12	TOOL & EQUIPMENT RI	ENTAL		86,000	60,000	146,000
13	FUEL & POWER			99,375		99,375
	DIESEL - BASE FOR MU			70,000		70,000
	MUD LOGGING & GEOL			21,750		21,750
	DISPOSAL, RESTORAT	ION & BACKFILL		108,000		108,000
	TRUCKING			60,000	20,000	80,000
	TESTING			420,000		120,000
	CEMENTING PERFORATING			138,000	198,000	138,000 198,000
	CASED HOLE LOGS				190,000	190,000
	DOWNHOLE TOOLS & S	SERVICE		25,000	38,400	63,400
	OTHER STIMULATION			25,500	55,100	00,400
	FORMATION STIMULAT	ION			1,728,000	1,728,000
25	CONSULTING SERVICE	S			20,000	20,000
26	SUPERVISION			74,200	50,000	124,200
27	CONTRACT LABOR			40,000	20,000	60,000
	OTHER LABOR				80,000	80,000
	COMPANY CONSULTIN	G/SUPV				0
	WATER			40,000	700,000	740,000
	FLUIDS & CHEMICALS			135,000		135,000
	CORING & ANALYSIS COMMUNICATIONS			5,000	10,000	15,000
	BOP TESTING			20,000	10,000	30,000
	FISHING TOOLS & SER	VICES		20,000	10,000	0
	INSPECTIONS	· · · · · · · · · · · · · · · · · · ·		10,000	5,000	15,000
38	WIRELINE SERVICES			,	,	0
39	<b>ENGINEERING &amp; GEOL</b>	OGY - FIELD				0
40	<b>ENGINEERING &amp; GEOL</b>	OGY - OFFICE				0
	MULTISHOT & GYRO					0
	RE-ENTRY SERVICES					0
	CAMPS & TRAILERS	1100		29,875	31,500	61,375
	SAFETY EQUIPMENT &	H2S		2,000	5,000	7,000
	CONTINGENCY INSURANCE			50,000	2,000	50,000 2,000
	MISCELLANEOUS			10,000	10,000	20,000
	SIM-OPS			10,000	10,000	20,000
	TOTAL INTANGIBLE CO	OSTS		\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	
01	CASING - CONDUCTOR			\$ 20,000		\$ 20,000
	CASING - SURFACE			16,840		16,840
	CASING - INTERMEDIA			248,615		248,615
	CASING - INTERMEDIA					0
	CASING - PRODUCTION			324,786	05.000	324,786
	SUBSURFACE EQUIPM	ENI		20,000	25,000	45,000
	PRODUCTION TUBING SUBSURFACE PUMPIN	G FOLIPMENT			74,360	74,360
	WELLHEAD EQUIPMEN			40,000	90,000	130,000
	FLOWLINES	-		70,000	100,000	100,000
	SURFACE PUMPING EC	QUIPMENT			.55,500	0
	LINER HANGER & ASSO					0
13	VALVES & FITTINGS				200,000	200,000
	RODS					0
	TRUCKING				10,000	10,000
	RE-ENTRY EQUIPMENT					0
	PRODUCTION EQUIPM	=N I			600,000	600,000
	MISCELLANEOUS	HEITIONE		20,000	10,000	30,000
	TANGIBLE EQUIP-ACQUE TOTAL INTANGIBLE CO			\$ 690,241	\$ 4400.200	1,799,601
				\$ 690,241	\$ 1,109,360	Ψ 1,799,001
. —	TOTAL ESTIMATED	WELL COST	<del></del>	\$ 2,953,591	\$ 4,192,260	\$ 7,145,851

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	45/30/	COO	DATE:	10-15-2020
OPERATOR APPROVAL:	I / She Free	CEO o CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:			•	_



WELL NAME	Ovation Fed Com 1318 221H	AFE TYPE	Development	AFE NUMBER	2015074
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9851 'TVD/21251' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for	9,900' horizonta	l well		

	M-HOLE LOCATION CT DESCRIPTION	Section 18-23S-29E NE/4 NE/4  Drilling, completion, facilities and pipeline c	county osts for 9.900' horizon	Eddy County	STATE	New	Mexico
			osto ici ciocco menizam	a. ne.	0007 507111475		
ACCT.		DESCRIPTION OF EXPENDITURE		DDILLING (000)	COST ESTIMATE	1	
CODE	OLIDVEN/IDEDMITO/DAM	INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		00.000
	SURVEY/PERMITS/DAM	AGES/LEGAL		\$ 30,000		\$	30,000
	LOCATION & ROAD			212,500			212,500
	RIG MOVE			150,000			150,000
	DRILLING - FOOTAGE			40,000			40,000
	DRILLING - DAYWORK			466,650	)		466,650
	COMPLETION/WORKOV						0
	COIL TUBING/SNUBBIN	G UNIT			90,000		90,000
	SLICKLINE/SWABBING						0
09	BITS			100,000	,		105,000
10	DIRECTIONAL SERVICE	S		195,000	)		195,000
11	CASING CREW			45,000	)		45,000
12	TOOL & EQUIPMENT RE	NTAL		86,000	60,000		146,000
13	FUEL & POWER			99,375	i		99,375
	DIESEL - BASE FOR MU	D		70,000	)		70,000
	MUD LOGGING & GEOL			21,750			21,750
	DISPOSAL, RESTORATI			108,000			108,000
	TRUCKING	OH & DAONI ILL		60,000			80,000
				60,000	20,000		
	TESTING						0
	CEMENTING			138,000			138,000
	PERFORATING				198,000		198,000
	CASED HOLE LOGS						0
	DOWNHOLE TOOLS & S	SERVICE		25,000	38,400		63,400
	OTHER STIMULATION						0
24	FORMATION STIMULAT	ION			1,728,000		1,728,000
25	CONSULTING SERVICE	S			20,000		20,000
26	SUPERVISION			74,200	50,000		124,200
27	CONTRACT LABOR			40.000	20.000		60,000
	OTHER LABOR			1,111	80,000		80,000
	COMPANY CONSULTING	3/SLIPV			00,000		0
	WATER	3/001 4		40,000	700,000		740,000
	FLUIDS & CHEMICALS			135,000	,		135,000
				135,000	1		
	CORING & ANALYSIS			5.000	40.000		0
	COMMUNICATIONS			5,000			15,000
	BOP TESTING			20,000	10,000		30,000
	FISHING TOOLS & SERV	/ICES					0
	INSPECTIONS			10,000	5,000		15,000
	WIRELINE SERVICES						0
39	<b>ENGINEERING &amp; GEOL</b>	OGY - FIELD					0
40	<b>ENGINEERING &amp; GEOLG</b>	DGY - OFFICE					0
41	MULTISHOT & GYRO						0
42	RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			29,875	31,500		61,375
	SAFETY EQUIPMENT &	H2S		2,000	,		7,000
	CONTINGENCY			50,000			50,000
	INSURANCE			30,000			2,000
					,		
	MISCELLANEOUS			10,000	10,000		20,000
	SIM-OPS						0
	TOTAL INTANGIBLE CO			\$ 2,263,350		_	5,346,250
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
	CASING - CONDUCTOR			\$ 20,000		\$	20,000
	CASING - SURFACE			16,840			16,840
	CASING - INTERMEDIAT			248,615	5		248,615
04	CASING - INTERMEDIAT	E 2					0
05	CASING - PRODUCTION	I / LINER		327,265	·		327,265
06	SUBSURFACE EQUIPMI	ENT		20,000	25,000		45,000
07	PRODUCTION TUBING				74,360		74,360
	SUBSURFACE PUMPING	3 EQUIPMENT			,,,,,		0
	WELLHEAD EQUIPMEN			40,000	90.000		130,000
	FLOWLINES			.5,000	100,000		100,000
	SURFACE PUMPING EC	HIPMENT			100,000		0
	LINER HANGER & ASSO						0
		O LQUIF			200 200	-	
	VALVES & FITTINGS				200,000		200,000
	RODS						0
	TRUCKING				10,000		10,000
	RE-ENTRY EQUIPMENT						0
34	PRODUCTION EQUIPME	ENT			600,000		600,000
47	MISCELLANEOUS			20,000	10,000		30,000
49	TANGIBLE EQUIP-ACQL	JISITIONS					0
	TOTAL INTANGIBLE CO	STS		\$ 692,720	\$ 1,109,360	\$	1,802,080
				•			
	TOTAL ESTIMATED	WELL COST		\$ 2,956,070	\$ 4,192,260	\$	7,148,330

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	***************************************		DATE:	10-15-2020
OPERATOR APPROVAL:	John Fringer	CEO of CFO	DATE:	10/15/2020
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F·				



WELL NAME	Ovation Fed Com 1318 222H	AFE TYPE	Development	AFE NUMBER	2015075
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9871 'TVD/21271' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9	9,900' horizonta	l well		

	M-HOLE LOCATION CT DESCRIPTION	Section 18-23S-29E SE/4 NE/4  Drilling, completion, facilities and pipeline of	COUNTY	Eddy County	STATE	New N	Mexico
PROJE	CT DESCRIPTION	Drilling, completion, facilities and pipelline of	.0515 101 9,900 1101120111	di well			
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	_	
	SURVEY/PERMITS/DAM	AGES/LEGAL		\$ 30,000		\$	30,000
	RIG MOVE			212,500			212,500 150.000
	DRILLING - FOOTAGE			150,000 40,000			40,000
	DRILLING - DAYWORK			466,650			466,650
	COMPLETION/WORKOV	/FR RIG		400,030	<u> </u>		400,030
	COIL TUBING/SNUBBING				90,000		90,000
	SLICKLINE/SWABBING						0
09	BITS			100,000	5,000		105,000
10	DIRECTIONAL SERVICE	S		195,000			195,000
11	CASING CREW			45,000			45,000
	TOOL & EQUIPMENT RE	ENTAL		86,000	60,000		146,000
	FUEL & POWER			99,375			99,375
	DIESEL - BASE FOR MU			70,000			70,000
	MUD LOGGING & GEOL			21,750			21,750
	DISPOSAL, RESTORATI	ON & BACKFILL		108,000			108,000
	TRUCKING TESTING			60,000	20,000		80,000
	CEMENTING			138,000			138,000
	PERFORATING			130,000	198,000		198,000
	CASED HOLE LOGS				190,000		190,000
	DOWNHOLE TOOLS & S	SERVICE		25,000	38,400		63,400
	OTHER STIMULATION			20,000	30,100		0
	FORMATION STIMULAT	ION			1,728,000		1,728,000
	CONSULTING SERVICE				20,000		20,000
26	SUPERVISION			74,200	50,000		124,200
27	CONTRACT LABOR			40,000	20,000		60,000
28	OTHER LABOR				80,000		80,000
	COMPANY CONSULTING	G/SUPV					0
	WATER			40,000	,		740,000
	FLUIDS & CHEMICALS			135,000	1		135,000
	CORING & ANALYSIS			5.000	40.000		0
	COMMUNICATIONS			5,000	,		15,000
	BOP TESTING FISHING TOOLS & SERV	/ICES		20,000	10,000		30,000
	INSPECTIONS	VICES		10,000	5,000		15,000
	WIRELINE SERVICES			10,000	3,000		0
	ENGINEERING & GEOLG	OGY - FIELD					0
	ENGINEERING & GEOLG						0
	MULTISHOT & GYRO						0
42	RE-ENTRY SERVICES						0
43	CAMPS & TRAILERS			29,875	31,500		61,375
	SAFETY EQUIPMENT &	H2S		2,000	,		7,000
	CONTINGENCY			50,000			50,000
	INSURANCE			C	,		2,000
	MISCELLANEOUS			10,000	10,000		20,000
	SIM-OPS TOTAL INTANGIBLE CO	ACT C		£ 2.002.250	£ 2,000,000	•	0
	TOTAL INTANGIBLE CO			\$ 2,263,350 DRILLING (400)	\$ 3,082,900 COMPLETION (600)		5,346,250 TOTAL
01	CASING - CONDUCTOR	TANGIBLE COSTS		\$ 20,000	, ,	\$	20,000
	CASING - CONDUCTOR			16,840		φ	16,840
	CASING - SURFACE  CASING - INTERMEDIAT	E		248,615			248,615
	CASING - INTERMEDIAT			210,010			0
	CASING - PRODUCTION			327,573			327,573
06	SUBSURFACE EQUIPME	ENT		20,000	25,000		45,000
07	PRODUCTION TUBING				74,360		74,360
80	SUBSURFACE PUMPING	G EQUIPMENT					0
	WELLHEAD EQUIPMEN	Т		40,000	,		130,000
	FLOWLINES				100,000		100,000
	SURFACE PUMPING EC						0
	LINER HANGER & ASSO	OC EQUIP					0
	VALVES & FITTINGS				200,000		200,000
	RODS				40.000		10,000
	TRUCKING RE-ENTRY EQUIPMENT				10,000		10,000
	PRODUCTION EQUIPMENT				600,000		600,000
	MISCELLANEOUS	-IN I		20,000	,		30,000
	TANGIBLE EQUIP-ACQU	JISITIONS		20,000	10,000		30,000
	TOTAL INTANGIBLE CO			\$ 693,028	\$ 1,109,360	\$	1,802,388
	TOTAL ESTIMATED	WELL COST		\$ 2,956,378	\$ 4,192,260	\$	7,148,638

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	4199)		DATE:	10-15-2020
OPERATOR APPROVAL:	I don't in	CEO o CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI C.		<del>-</del>		



WELL NAME	Ovation Fed Com 1318 225H	AFE TYPE	Development	AFE NUMBER	2015076
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9905 'TVD/21305' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PRO JECT DESCRIPTION	Drilling completion facilities and pineline costs for	9 900' horizonta	l well		

	M-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New	Mexico
PROJE	CT DESCRIPTION	Drilling, completion, facilities and pipeline costs	for 9,900' horizonta	l well			
ACCT.		DESCRIPTION OF EVENINITHE			COST ESTIMATE		
CODE		DESCRIPTION OF EXPENDITURE INTANGIBLE COSTS		DBILLING (200)			
	SURVEY/PERMITS/DAM			<b>DRILLING (300)</b> \$ 30,000	COMPLETION (500)	\$	30,000
	LOCATION & ROAD	AGE3/LEGAL		212,500		φ	212,500
	RIG MOVE			150,000			150,000
	DRILLING - FOOTAGE			40,000			40,000
	DRILLING - DAYWORK			466,650			466,650
	COMPLETION/WORKOV	FR RIG		400,000			400,000
	COIL TUBING/SNUBBIN				90,000		90,000
	SLICKLINE/SWABBING	3 3111			00,000		(
	BITS			100,000	5,000		105,000
	DIRECTIONAL SERVICE	S		195,000	0,000		195,000
	CASING CREW			45,000			45,000
	TOOL & EQUIPMENT RE	NTAL		86,000	60,000		146,000
	FUEL & POWER			99,375	,		99,375
	DIESEL - BASE FOR MU	D		70,000			70,000
	MUD LOGGING & GEOL			21,750			21,750
	DISPOSAL, RESTORATI			108,000			108,000
	TRUCKING			60,000	20,000		80,000
	TESTING				-,		(
	CEMENTING			138,000			138,000
	PERFORATING			,,,,,,,	198,000		198,000
	CASED HOLE LOGS				11,700		C
	DOWNHOLE TOOLS & S	ERVICE		25,000	38,400		63,400
	OTHER STIMULATION						0
24	FORMATION STIMULAT	ON			1,728,000		1,728,000
25	CONSULTING SERVICE	S			20,000		20,000
26	SUPERVISION			74,200	50,000		124,200
27	CONTRACT LABOR			40,000	20,000		60,000
28	OTHER LABOR				80,000		80,000
29	COMPANY CONSULTING	G/SUPV					0
30	WATER			40,000	700,000		740,000
31	FLUIDS & CHEMICALS			135,000			135,000
32	CORING & ANALYSIS						0
33	COMMUNICATIONS			5,000	10,000		15,000
34	BOP TESTING			20,000	10,000		30,000
36	FISHING TOOLS & SERV	/ICES					0
37	INSPECTIONS			10,000	5,000		15,000
38	WIRELINE SERVICES						0
	ENGINEERING & GEOL	DGY - FIELD					0
	ENGINEERING & GEOL	OGY - OFFICE					0
	MULTISHOT & GYRO						0
	RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			29,875	31,500		61,375
	SAFETY EQUIPMENT &	H2S		2,000	5,000		7,000
	CONTINGENCY			50,000			50,000
	INSURANCE			0	2,000		2,000
	MISCELLANEOUS			10,000	10,000		20,000
	SIM-OPS	CTC		£ 0.000.050	£ 2,002,000	•	F 24C 2F0
	TOTAL INTANGIBLE CO			\$ 2,263,350	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		5,346,250
01	CASING CONDUCTOR	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
	CASING - CONDUCTOR			\$ 20,000		\$	20,000
	CASING - SURFACE CASING - INTERMEDIAT	·C		16,840 248,615			16,840 248,615
	CASING - INTERMEDIAT			240,015			240,010
				328,097			328,097
	CASING - PRODUCTION SUBSURFACE EQUIPMI			20,000	25,000		45,000
	PRODUCTION TUBING	-141		20,000	74,360		74,360
	SUBSURFACE PUMPING	S FOLIIPMENT			14,300		74,360
	WELLHEAD EQUIPMEN			40,000	90,000		130,000
	FLOWLINES			40,000	100,000		100,000
	SURFACE PUMPING EC	UIPMENT			100,000		100,000
	LINER HANGER & ASSO						(
	VALVES & FITTINGS				200,000		200,000
	RODS				200,000		200,000
	TRUCKING				10,000		10,000
	RE-ENTRY EQUIPMENT				10,000		10,000
	PRODUCTION EQUIPME				600,000		600,000
	MISCELLANEOUS			20,000	10,000		30,000
	TANGIBLE EQUIP-ACQU	JISITIONS		20,000	10,000		(
. •	TOTAL INTANGIBLE CO			\$ 693,552	\$ 1,109,360	\$	1,802,912
	TOTAL ESTIMATED	WELL COST		\$ 2,956,902	\$ 4,192,260	\$	7,149,162

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#1997		DATE:	10-15-2020
OPERATOR APPROVAL:	John Francisco	CEO o(CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F:				



WELL NAME	Ovation Fed Com 1318 231H	AFE TYPE	Development	AFE NUMBER	2015077
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	22.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10534 'TVD/21934' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for	9,900' horizonta	al well		
ACCT	DECODIDATION OF EXPENDITURE			COCT FORMATE	

	M-HOLE LOCATION CT DESCRIPTION	Section 18-23S-29E NE/4 NE/4 Drilling, completion, facilities and pipeline	COUNTY	Eddy County	STATE	New I	Mexico
PROJE	CT DESCRIPTION	Drilling, completion, facilities and pipeline	e costs for 9,900° norizont	ai weii			
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
01	SURVEY/PERMITS/DAM	AGES/LEGAL		\$ 30,000		\$	30,000
02	LOCATION & ROAD			212,500			212,500
03	RIG MOVE			150,000			150,000
04	DRILLING - FOOTAGE			40,000			40,000
05	DRILLING - DAYWORK			483,650			483,650
06	COMPLETION/WORKO\						0
07	COIL TUBING/SNUBBIN	G UNIT			90,000		90,000
80	SLICKLINE/SWABBING						0
09	BITS			100,000	· · · · · · · · · · · · · · · · · · ·		105,000
10	DIRECTIONAL SERVICE	S		205,000			205,000
11	CASING CREW			45,000			45,000
12	TOOL & EQUIPMENT RE	ENTAL		90,000	,		150,000
13	FUEL & POWER			103,125			103,125
14	DIESEL - BASE FOR MU			70,000			70,000
15	MUD LOGGING & GEOL	OGIST		23,250			23,250
16	DISPOSAL, RESTORATI	ON & BACKFILL		108,000			108,000
17	TRUCKING			60,000	20,000		80,000
18	TESTING						0
19	CEMENTING		<del></del>	138,000			138,000
20	PERFORATING				198,000		198,000
21	CASED HOLE LOGS						0
22	DOWNHOLE TOOLS & S	SERVICE		25,000	38,400		63,400
23	OTHER STIMULATION						0
24	FORMATION STIMULAT	ION			1,728,000		1,728,000
25	CONSULTING SERVICE				20,000		20,000
26	SUPERVISION			77,000	,		127,000
27	CONTRACT LABOR			40.000	,		60,000
28	OTHER LABOR			10,000	80,000		80,000
29	COMPANY CONSULTIN	G/SUPV			00,000		0
30	WATER	0/001 \$		40,000	700,000		740,000
31	FLUIDS & CHEMICALS			135,000	,		135,000
32	CORING & ANALYSIS			133,000			133,000
33	COMMUNICATIONS			5,000	10,000		15,000
34	BOP TESTING			20,000			30,000
36	FISHING TOOLS & SER	/ICES		20,000	10,000		30,000
		VICES		10.000	F 000		
37	INSPECTIONS			10,000	5,000		15,000
38	WIRELINE SERVICES	201/ 5151.5					0
39	ENGINEERING & GEOL						0
40	ENGINEERING & GEOL	OGY - OFFICE					0
41	MULTISHOT & GYRO						0
42	RE-ENTRY SERVICES						0
43	CAMPS & TRAILERS			30,625			62,125
44	SAFETY EQUIPMENT &	H2S		2,000			7,000
45	CONTINGENCY			50,000			50,000
46	INSURANCE			0	2,000		2,000
47	MISCELLANEOUS			10,000	10,000		20,000
49	SIM-OPS						0
	TOTAL INTANGIBLE CO	STS		\$ 2,303,150	\$ 3,082,900	\$	5,386,050
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
01	CASING - CONDUCTOR			\$ 20,000		\$	20,000
02	CASING - SURFACE			16,840			16,840
03	CASING - INTERMEDIAT	E		248,615			248,615
04	CASING - INTERMEDIAT						0
05	CASING - PRODUCTION	I / LINER		337,784			337,784
06	SUBSURFACE EQUIPM			20,000		1	45,000
07	PRODUCTION TUBING				74,360	1	74,360
08	SUBSURFACE PUMPING	G EQUIPMENT			,000	1	0
09	WELLHEAD EQUIPMEN			40,000	90.000		130,000
10	FLOWLINES			.5,000	100,000	1	100,000
11	SURFACE PUMPING EG	DUIPMENT			100,000		0
12	LINER HANGER & ASSO					1	0
13	VALVES & FITTINGS	- C = 3(0))			200,000		200,000
15	RODS				200,000		200,000
	TRUCKING				10.000		
17					10,000		10,000
20	RE-ENTRY EQUIPMENT				200.000	1	600,000
34	PRODUCTION EQUIPME	IN I		00.000	600,000	1	600,000
47	MISCELLANEOUS	HOLTIONIO		20,000	10,000		30,000
49	TANGIBLE EQUIP-ACQU					_	0
	TOTAL INTANGIBLE CO	1515		\$ 703,239	\$ 1,109,360	\$	1,812,599
	TOTAL ESTIMATED	WELL COST		\$ 3,006,389	\$ 4,192,260	\$	7,198,649
	= = = - : (1 <b>= D</b>			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	., ., ., ., 230	Ŧ	.,,

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#1991	coo	DATE:	10-15-2020
OPERATOR APPROVAL:	I do time	CEO of CFO	DATE:	10/15/2020
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	



WELL NAME	Ovation Fed Com 1318 232H	AFE TYPE	Development	AFE NUMBER	2015078	
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	22.5	
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10554 'TVD/21954' MD	
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well					

	M-HOLE LOCATION	Section 18-23S-R26E NE/4 NE/4	COUNTY	Eddy Co		STATE		Mexico
	T DESCRIPTION	Drilling, completion, facilities and pipeline			Surity	OTATE	IVOW	WICKIGO
. KOUL	51 B2001111 11011	Driming, completion, racinated and pipeline	7 00010 101 0,000 11011201114	ai <b>W</b> OII				
ACCT.		DESCRIPTION OF EXPENDITURE				COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRIL	LING (300)	COMPLETION (500)		
01	SURVEY/PERMITS/DAM/			\$	30,000	, ,	\$	30,000
02	LOCATION & ROAD				212,500			212,500
03	RIG MOVE				150,000			150,000
04	DRILLING - FOOTAGE				40,000			40,000
05	DRILLING - DAYWORK				483,650			483,650
06	COMPLETION/WORKOV	ER RIG						0
07	COIL TUBING/SNUBBING	UNIT				90,000		90,000
08	SLICKLINE/SWABBING							0
09	BITS				100,000	5,000		105,000
10	DIRECTIONAL SERVICE	S			205,000			205,000
11	CASING CREW				45,000			45,000
12	TOOL & EQUIPMENT RE	NTAL			90,000	60,000		150,000
13	FUEL & POWER				103,125			103,125
14	DIESEL - BASE FOR MUI	D			70,000			70,000
15	MUD LOGGING & GEOLO	DGIST			23,250			23,250
16	DISPOSAL, RESTORATION	ON & BACKFILL			108,000			108,000
17	TRUCKING				60,000	20,000		80,000
	TESTING							0
	CEMENTING				138,000			138,000
	PERFORATING					198,000		198,000
	CASED HOLE LOGS							0
	DOWNHOLE TOOLS & S	ERVICE			25,000	38,400		63,400
	OTHER STIMULATION							0
	FORMATION STIMULATI					1,728,000		1,728,000
	CONSULTING SERVICES	3				20,000		20,000
	SUPERVISION				77,000	50,000		127,000
	CONTRACT LABOR				40,000	20,000		60,000
	OTHER LABOR					80,000		80,000
	COMPANY CONSULTING	S/SUPV						0
	WATER				40,000	700,000		740,000
	FLUIDS & CHEMICALS				135,000			135,000
	CORING & ANALYSIS							0
	COMMUNICATIONS				5,000	10,000		15,000
	BOP TESTING				20,000	10,000		30,000
	FISHING TOOLS & SERV	ICES						0
	INSPECTIONS				10,000	5,000		15,000
	WIRELINE SERVICES						-	0
	ENGINEERING & GEOLO							0
	ENGINEERING & GEOLO	OGY - OFFICE						0
	MULTISHOT & GYRO							0
	RE-ENTRY SERVICES				22.225	04.500		0 105
	CAMPS & TRAILERS	100			30,625	31,500		62,125
	SAFETY EQUIPMENT & I	128			2,000	5,000		7,000
	CONTINGENCY				50,000	0.000		50,000
	INSURANCE MISCELLANEOUS				10,000	2,000		2,000
	MISCELLANEOUS SIM-OPS				10,000	10,000		20,000
	TOTAL INTANGIBLE CO	ete		\$	2,303,150	\$ 3,082,900	¢	5,386,050
	TO TAL INTANGIBLE CO	TANGIBLE COSTS		-	2,303,130 LING (400)	COMPLETION (600)	_	TOTAL
01	CASING - CONDUCTOR	I ANUIDLE CUSTS		\$	20,000	COMPLETION (600)	\$	20,000
	CASING - CONDUCTOR CASING - SURFACE			Ψ	16,840		Ф	16,840
	CASING - SURFACE CASING - INTERMEDIAT	F		1	248,615			248,615
	CASING - INTERMEDIAT			1	240,010			2+0,015
	CASING - INTERMEDIAT				338,092			338,092
	SUBSURFACE EQUIPME			1	20,000	25,000		45,000
	PRODUCTION TUBING				20,000	74,360		74,360
	SUBSURFACE PUMPING	SEQUIPMENT				14,300		74,300
	WELLHEAD EQUIPMENT				40,000	90,000		130,000
	FLOWLINES				70,000	100,000		100,000
	SURFACE PUMPING EQ	UIPMENT				100,000		0
	LINER HANGER & ASSO							0
	VALVES & FITTINGS					200,000		200,000
	RODS					200,000		250,000
	TRUCKING					10,000		10,000
	RE-ENTRY EQUIPMENT					10,000		10,000
	PRODUCTION EQUIPME	NT				600,000		600,000
	MISCELLANEOUS				20,000	10,000		30,000
	TANGIBLE EQUIP-ACQU	ISITIONS			20,000	10,000		0
	TOTAL INTANGIBLE CO			\$	703,547	\$ 1,109,360	\$	1,812,907
	TOTAL ESTIMATED V	VELL COST		\$	3,006,697	\$ 4,192,260	\$	7,198,957

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	4	COO	DATE:	10-15-2020
OPERATOR APPROVAL:	I She Fin	CEO of CFO	DATE:	10/15/2020
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI E:		_		



WELL NAME	Ovation Fed Com 1318 235H	AFE TYPE	Development	AFE NUMBER	2015079	
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	22.5	
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10561 'TVD/21961' MD	
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well					

вотто	M-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New I	Mexico
PROJE	CT DESCRIPTION	Drilling, completion, facilities and pipelin	ne costs for 9,900' horizonta	l well			
ACCT		DESCRIPTION OF EXPENDITURE			0007 F0711447F		
ACCT.		DESCRIPTION OF EXPENDITURE		DDILLING (200)	COST ESTIMATE	1	
	SURVEY/PERMITS/DAM	INTANGIBLE COSTS		<b>DRILLING (300)</b> \$ 30.000	COMPLETION (500)	\$	30,000
	LOCATION & ROAD	AGES/LEGAL		212,500		φ	212,500
	RIG MOVE			150,000			150,000
	DRILLING - FOOTAGE			40,000			40,000
	DRILLING - DAYWORK			483,650			483,650
06	COMPLETION/WORKOV	ER RIG					0
07	COIL TUBING/SNUBBING	G UNIT			90,000		90,000
80	SLICKLINE/SWABBING						0
	BITS			100,000	5,000		105,000
	DIRECTIONAL SERVICE	S		205,000			205,000
	CASING CREW			45,000			45,000
	TOOL & EQUIPMENT RE	NIAL		90,000	60,000		150,000
	FUEL & POWER DIESEL - BASE FOR MU	D		103,125 70,000			103,125 70,000
	MUD LOGGING & GEOL			23,250			23,250
	DISPOSAL, RESTORATION			108,000			108,000
	TRUCKING	ON & BAOKINE		60,000	20.000		80,000
	TESTING			33,300	25,500		0
	CEMENTING			138,000			138,000
20	PERFORATING				198,000		198,000
21	CASED HOLE LOGS						0
	DOWNHOLE TOOLS & S	ERVICE		25,000	38,400		63,400
	OTHER STIMULATION						0
	FORMATION STIMULATI				1,728,000		1,728,000
	CONSULTING SERVICES	S		77.000	20,000		20,000
	SUPERVISION			77,000	50,000		127,000
	OTHER LABOR			40,000	20,000 80,000		60,000 80,000
	COMPANY CONSULTING	3/SLIPV			80,000		0.000
	WATER	3/301 V		40,000	700,000		740,000
	FLUIDS & CHEMICALS			135,000	100,000		135,000
	CORING & ANALYSIS						0
33	COMMUNICATIONS			5,000	10,000		15,000
34	BOP TESTING			20,000	10,000		30,000
36	FISHING TOOLS & SER\	/ICES					0
	INSPECTIONS			10,000	5,000		15,000
	WIRELINE SERVICES						0
	ENGINEERING & GEOLG						0
	ENGINEERING & GEOLG	DGY - OFFICE					0
	MULTISHOT & GYRO RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			30,625	31,500		62,125
	SAFETY EQUIPMENT &	H2S		2,000	5,000		7,000
	CONTINGENCY	1120		50,000	0,000		50,000
	INSURANCE			0	2,000		2,000
47	MISCELLANEOUS			10,000	10,000		20,000
49	SIM-OPS						0
	TOTAL INTANGIBLE CO	STS		\$ 2,303,150		\$	5,386,050
	2.20.2	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
	CASING - CONDUCTOR			\$ 20,000		\$	20,000
	CASING - SURFACE	-		16,840			16,840
	CASING - INTERMEDIAT CASING - INTERMEDIAT			248,615			248,615 0
	CASING - INTERMEDIAT			338,199			338,199
	SUBSURFACE EQUIPME			20,000	25,000		45,000
	PRODUCTION TUBING	-111		20,000	74,360		74,360
	SUBSURFACE PUMPING	G EQUIPMENT			7-1,500		0
	WELLHEAD EQUIPMEN			40,000	90,000		130,000
	FLOWLINES				100,000		100,000
11	SURFACE PUMPING EQ	UIPMENT					0
	LINER HANGER & ASSO	C EQUIP					0
	VALVES & FITTINGS				200,000		200,000
	RODS						0
	TRUCKING				10,000		10,000
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPME	EN I		00.000	600,000		600,000
	MISCELLANEOUS TANGIBLE EQUIP-ACQU	PARTICINS		20,000	10,000		30,000
	TOTAL INTANGIBLE CO			\$ 703,654	\$ 1,109,360	\$	1,813,014
	TOTAL ESTIMATED V	WELL COST		\$ 3,006,804	\$ 4,192,260	\$	7,199,064

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE:	10/14/2020
OPERATOR APPROVAL:	#1901	coo	DATE:	10-15-2020
OPERATOR APPROVAL:	I for the	CEO of CFO	DATE:	10/15/2020
			•	
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:			•	



# Communications with OXY (Slide 1 of 2)

	Summary of Communication with OXY
Date	Description of Communication
4/18/2019	Initial communication to OXY informing them that:  (1) Novo was in the process of acquiring a large interest in E/2 of Section 13-23S-28E and S/2 of Section 18-23S-29E;  (2) Novo is going to propose 1.5-mile wells  (3) Novo would like to do some sort of deal with OXY
4/22/2019	OXY asks Novo to send well proposals and AFEs to start the discussion about doing another drill-to-earn deal with Novo
6/13/2019	Novo sends (via email and hard copy) OXY the well proposal letters and AFEs for 1.5-mile wells across the NE/4 of Section 13 and N/2 of Section 18
6/17/2019 - 6/28/2019	OXY and Novo exchange a series of emails. OXY asks for Novo's estimated spud date and a handful of technical questions. Novo promptly responds to each question
7/2/2019	Novo sends trade offer to OXY
7/10/2019	OXY asks to have a conference call to discuss Novo's development plans in the "Ovation" unit. Novo agrees and schedules a call for 7/31/2019
7/15/2019	Novo and OXY continue to discuss Novo's trade offer and other options
7/31/2019	OXY-Novo Conference Call to discuss Novo's proposed development plans
8/1/2019	OXY asks Novo to make a Term Assignment offer for OXY's interest in the "Ovation" unit
8/6/2019	Novo sends OXY an offer to do a Term Assignment of OXY's interest in the "Ovation" unit
Early August 2019	Novo revises its development plan to include the W/2 of Section 13, allowing Novo to drill 2-mile wells across the N/2 of Section 13 and N/2 of Section 18.
Early August 2019	Novo informs OXY of its plan to drill 2-mile wells across the N/2 of Section 13 and N/2 of Section 18.
8/19/2019	OXY tells Novo that it would oppose Novo's pooling applications because they were trying to trade away OXY's interest in the N/2 of Section 18 to a third party.  Novo agrees to exclude the N/2 of Section 18 from its development plans.
8/29/2019	Novo proposes 1-mile wells across the N/2 of Section 13 (the "Ovation 13" unit)
October 2019	Novo files pooling applications for the Ovation 13 unit
11/14/2019	NMOCD hears Novo's pooling applications for Ovation 13 (1-mile unit) and takes them under advisement
1/21/2020	Novo meets with OXY in-person in Houston. Novo reiterates its desire to develop the N/2 of Section 13 and N/2 of Section 18 as a 2-mile unit. OXY says their trade fell through and OXY would like the N/2 of Section 18 to be included in Novo's 2-mile development plan. Novo agrees!

Santa Fe, New Mexico
Exhibit No. C7

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020 Case Nos. 21549-21550



# Communications with OXY (Slide 2 of 2)

	Summary of Communication with OXY
Date	Description of Communication
1/22/2020	Novo sends email confirming OXY's decision to include the N/2 of Sec. 18 in Novo's "Ovation" unit. Novo requests title information from OXY.
2/4/2020	Novo sends OXY its proposed JOA form to cover the 2-mile Ovation 1318 unit (N/2 of Section 13 and N/2 of Section 18)
2/5/2020	OXY provides Drilling Title Opinion covering part of Section 18-23S-29E
2/12/2020	NMOCD issues pooling order establishing the Ovation 13 pooled unit and naming Novo as the operator
February 2020 thru June 2020	Novo and OXY negotiates the JOA form in its entirety, and OXY said the JOA would be routed for final management approval and execution
July 2020 thru August 2020	Novo makes multiple attempts to follow up on OXY's status regarding the Ovation 1318 JOA
9/1/2020	Novo informs OXY that it plans to propose 2-mile wells and file pooling applications. Novo tells OXY that it would prefer to execute the JOA that Novo and OXY negotiated. Novo also tells OXY that they are open to any and all deal structures (trade, term assignment, farmout, etc.) to acquire OXY's interest in the N/2 of Section 18.
9/3/2020	Novo makes trade offer to OXY
September 2020	While OXY is processing Novo's trade offer, OXY and Novo discuss other trade ideas where Novo would acquire OXY's interest in the N/2 of Section 18
9/21/2020	Novo sends email reiterates that APDs, well proposals, and AFEs are being prepared for a 2-mile plan across the N/2 of Section 13 and N/2 of Section 18. Novo asks if OXY's technical team has any issues with Novo's proposed development plan (3 wells per half-section in the 3rd BS and Wolfcamp targets).
10/15/2020	Novo reiterates that Novo will send well proposals and AFEs for 2-mile development across the N/2 of Section 13 and N/2 of Section 18. Novo also reiterates its desire to execute a JOA and/or do another deal with OXY to acquire OXY's interest.
10/22/2020	Novo sends well proposals and AFEs for 2-mile wells across N/2 of Section 13 and N/2 of Section 18
10/23/2020	OXY asks for digital copies of the AFEs and well proposals for Novo's 2-mile plan
10/26/2020	Novo provides digital copies of the AFEs and well proposals for Novo's 2-mile plan
11/2/2020	OXY makes trade counteroffer to Novo
11/9/2020	Novo makes offer to purchase OXY's interest in N/2 of Section 18

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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21092, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21549** 

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21093, EDDY COUNTY, NEW MEXICO.

CASE NO. 21550

# AFFIDAVIT OF MICHAEL HALE IN SUPPORT OF CASE NOS. 21549 AND 21550

Michael Hale, of lawful age and being first duly sworn, declares as follows:

- My name is Michael Hale. I work for Novo Oil & Gas Northern Delaware, LLC
   ("Novo") as Vice President of Geoscience and Exploration.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by Novo in Case Nos. 21549 and 21550, and I have conducted a geologic study of the lands in the subject areas.
- 4. **Novo Exhibit D-1** is a 3-D Block Diagram reflecting Novo's intended development of the Bone Spring and Wolfcamp formations in Sections 13 and 18.
  - 5. In Case No. 21549, Novo is targeting the Bone Spring formation.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Novo Oil & Gas Northern Delaware LLC
Hearing Date: December 3, 2020
Case Nos. 21549-21550

- 6. Novo Exhibit D-2 is a subsea structure map that I prepared off the top of the Third Bone Spring Sand formation, which Novo intends to develop with its Ovation Fed Com 1318 #131H Well, Ovation Fed Com 1318 #132H Well, and Ovation Fed Com 1318 #135H Well. The structure map with a contour interval of 25 feet shows the Bone Spring is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
  - 7. In Case No. 21550, Novo is targeting the Wolfcamp formation.
- 8. Novo Exhibit D-3 is a subsea structure map that I prepared off the top of the Wolfcamp XY formation with a contour interval of 25 feet. The map reflects the proposed Ovation Fed Com 1318 #211H Well, Ovation Fed Com 1318 #212H Well, Ovation Fed Com 1318 #215H Well. The structure map shows the Wolfcamp XY is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
- 9. Novo Exhibit D-4 is a subsea structure map that I prepared off the top of the Wolfcamp A formation with a contour interval of 25 feet. The map reflects the proposed Ovation Fed Com 1318#221H Well, Ovation Fed Com 1318#222H Well, and Ovation Fed Com 1318#225H Well. The structure map shows the Wolfcamp A is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
- 10. Novo Exhibit D-5 is a subsea structure map that I prepared off the top of the Wolfcamp B formation with a contour interval of 25 feet. The map reflects the proposed Ovation Fed Com 1318 #231H Well, Ovation Fed Com 1318 #232H Well, and Ovation Fed Com 1318 #235H Well. The structure map shows the Wolfcamp B is gently dipping to the east. The

structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

- Novo Exhibit D-6 is a stratigraphic cross-section that I prepared displaying openhole logs from three representative wells denoted from A to A'. Novo Exhibit B-7 also includes an insert on the bottom left-hand corner that shows the location of the wells used to create the stratigraphic cross-section on Novo Exhibit D-6. These three wells from A to A' are representative of the geology in the area. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target intervals in the Third Bone Spring, Wolfcamp XY, Wolfcamp A, and Wolfcamp B are labeled and marked on the exhibit. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring and Wolfcamp formations, are consistent in thickness, across the entire proposed spacing units.
- 12. In my opinion, each tract comprising the proposed horizontal spacing units in Case Nos. 21549 and 21550 will be productive and contribute more-or-less equally to production from each wellbore.
- 13. In my opinion, the granting of Novo's applications in these cases is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 14. Novo Exhibits D-1 through D-6 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

MICHAEL HALE

STATE OF OKLAHOMA	)	
	)	
COUNTY OF OKLAHOMA	)	
SUBSCRIBED and SW	ORN to before me this 30th day of 10.	2020
by Michael Hale.		
MINTIN CARTEN		
# 20005966	and a	
EXP. 05/22/24	NOTARY PUBLIC	
OF OK ALITH	NOTART PUBLIC	

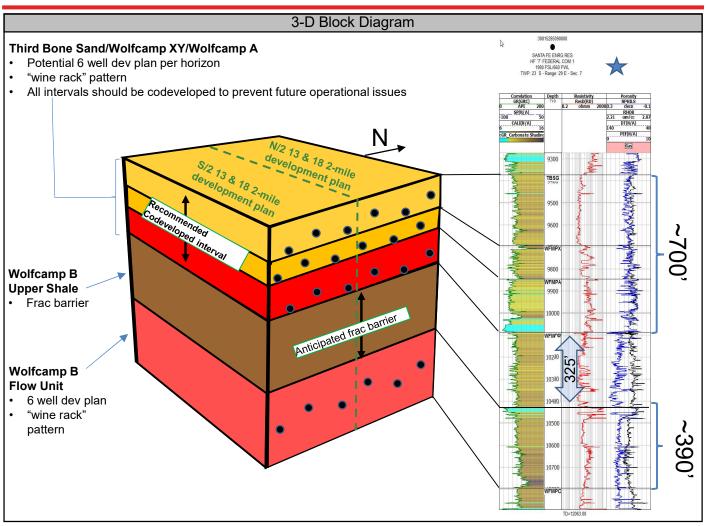
My Commission Expires:

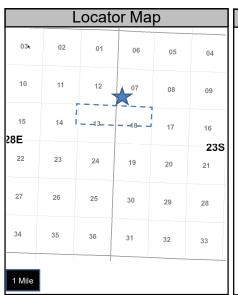
5/2/2024

## **Novo Development Plan: Ovation Fed Com 1318 Units**

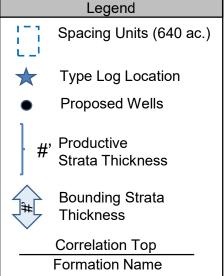


Sections 013-23S-28E and 18-23S-29E





A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), November 17, 2020



Novo Oil & Gas Northern Delaware, LLC

**Docket Number:** 

Case Number:

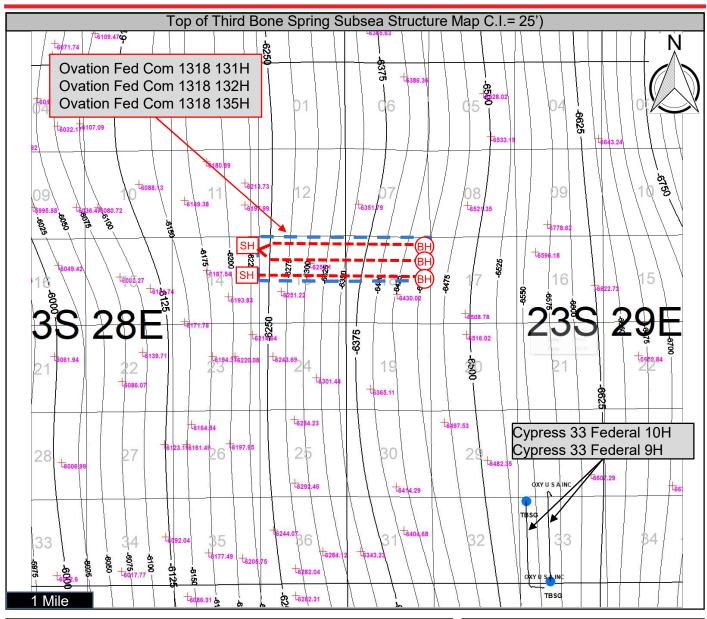
Date:

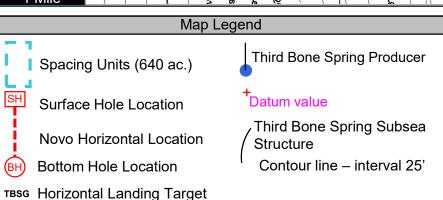
**Exhibit Number:** 

Case Nos. 21549-21550

## Ovation Fed Com 1318: Top of Third Bone Spring Structure Map NOVO

Third Bone Spring Proposed Locations; Sections 13-23S-28E and 18-23S-29E



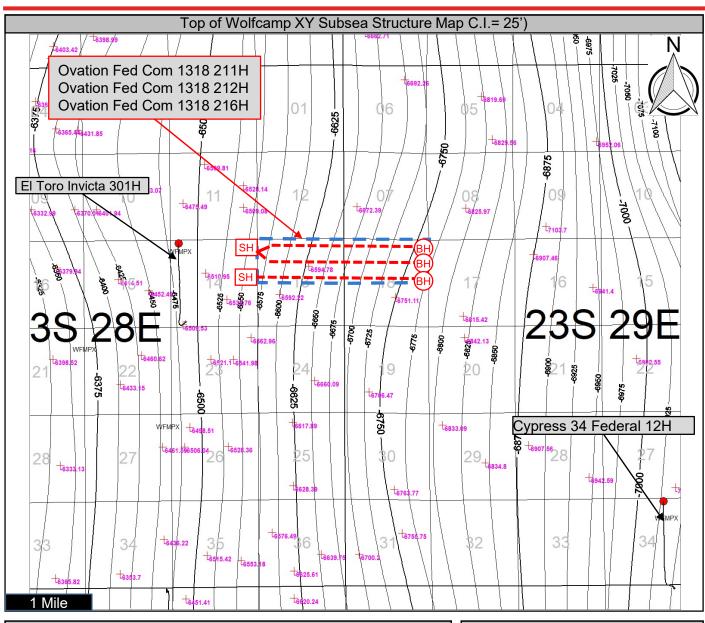


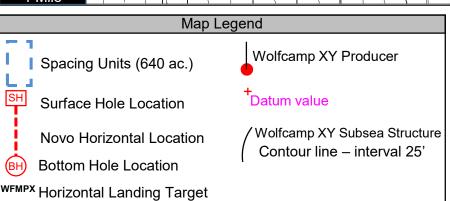
**Hearing Details** Novo Oil & Gas Northern Delaware, LLC **Docket Number:** Case Number: Date: Exhibit Number:

# Ovation Fed Com 1318: Top of Wolfcamp XY Structure Map



Wolfcamp XY Proposed Locations; Section 13-23S-28E and 18-23S-29E





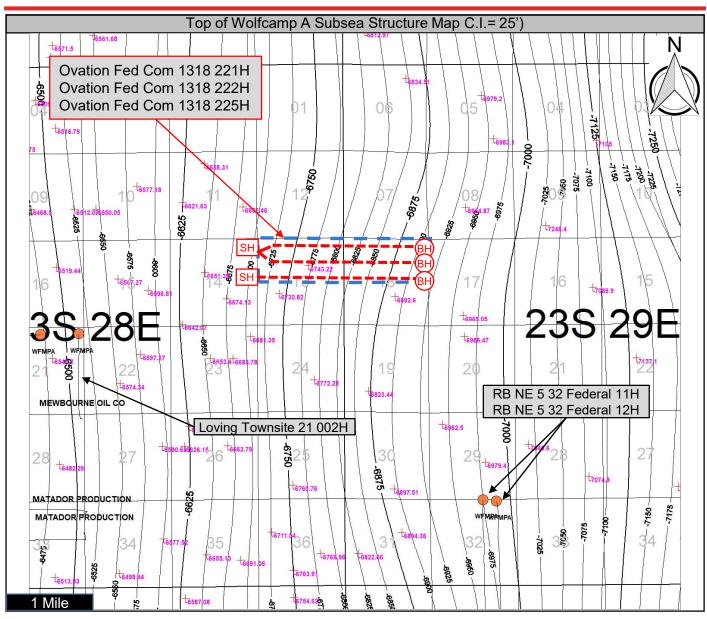
# **Hearing Details** Novo Oil & Gas Northern Delaware, LLC **Docket Number:** Case Number: Date: **Exhibit Number:**

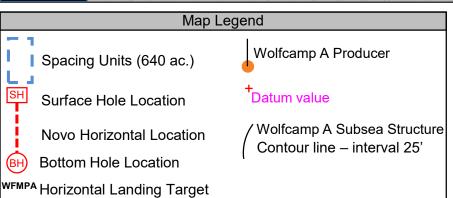
Case Nos. 21549-21550

## Ovation Fed Com 1318: Top of Wolfcamp A Structure Map



Wolfcamp A Proposed Locations; Section 13-23S-28E and 18-23S-29E





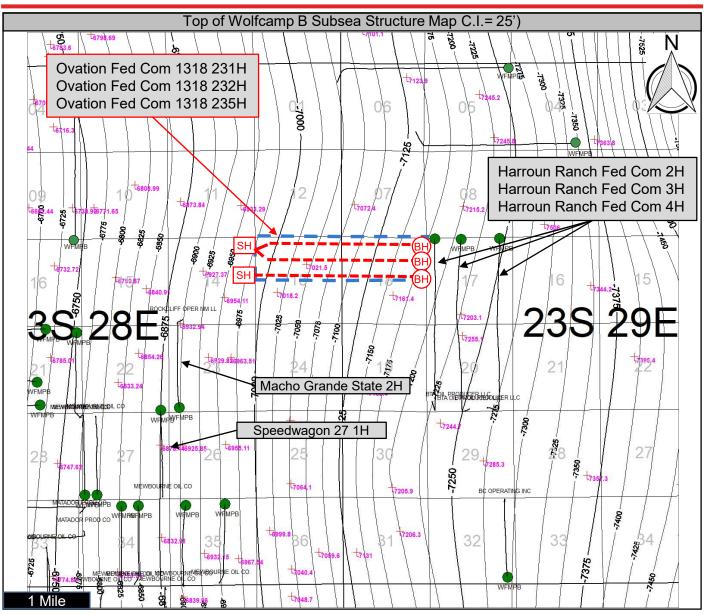
A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), November 17, 2020

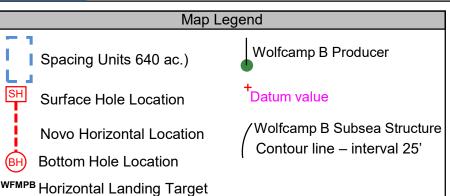
# **Hearing Details** Novo Oil & Gas Northern Delaware, LLC **Docket Number:** Case Number: Date: **Exhibit Number:**

# **Ovation Fed Com 1318: Top of Wolfcamp B Structure Map**



Wolfcamp B Proposed Locations; Section 13-23S-28E and 18-23S-29E





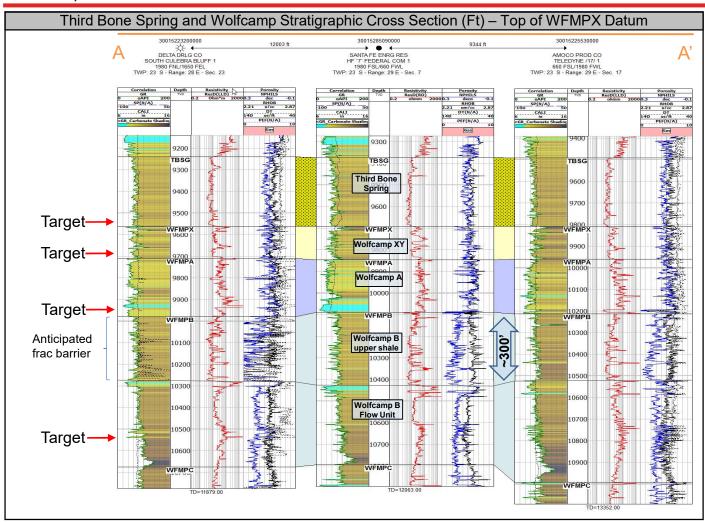
A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), November 17, 2020

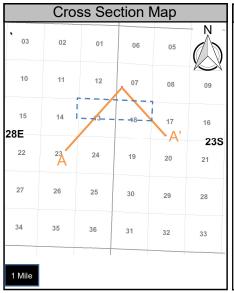
# **Hearing Details** Novo Oil & Gas Northern Delaware, LLC **Docket Number:** Case Number: Date: **Exhibit Number:**

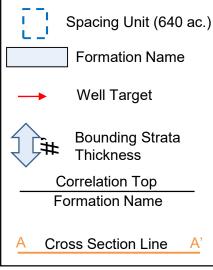
# Ovation Fed Com 1318- Third Bone Spring and Wolfcamp Stratigraphic Cross Section Third Bone Spring, Wolfcamp XY, Wolfcamp A and Wolfcamp B Proposed



Location, Section 013-23S-28E







Cross Section Legend

Novo Oil & Gas Northern Delaware, LLC

**Docket Number:** 

Case Number:

Date:

Exhibit Number:

Case Nos. 21549-21550

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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21092, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21549** 

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE LLC TO AMEND ORDER R-21093, EDDY COUNTY, NEW MEXICO.

**CASE NO. 21550** 

#### **AFFIDAVIT**

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

Kaitlyn A. Luck, attorney in fact and authorized representative of Novo Oil & Gas Northern Delaware LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Kaluyii A. Luck

SUBSCRIBED AND SWORN to before me this 23rd day of November, 2020 by Kaitlyn A. Luck.

Notary Public

My Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. E

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020 Case Nos. 21549-21550 OFFICIAL SEAL
ANNA K. STORM
NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires: January 25, 202-



Michael H. Feldewert Phone (505) 988-4421 Fax (505) 983-6043 mfeldewert@hollanhart.com

November 13, 2020

# VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware LLC to amend Order R-

21092, Eddy County, New Mexico

Ovation Fed Com 1318 #131H, #132H, #135H Wells

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 3, 2020, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/.

During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 3, 2020 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

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 party of record will preclude you from subsequently challenging this matter. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; 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 are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Larry Patrick, at (405) 286-3405 or LPatrick@novoog.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR NOVO OIL & GAS NORTHERN

DELAWARE LLC



Michael H. Feldewert Phone (505) 988-4421 Fax (505) 983-6043 mfeldewert@hollanhart.com

November 13, 2020

## <u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware LLC to amend Order R-

21093, Eddy County, New Mexico.

Ovation Fed Com 1318 #211H, #212H, #215H, #221H, #222H, #225H, #231H,

#232H, #235H Wells

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 3, 2020, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/.

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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 party of record will preclude you from subsequently challenging this matter. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; 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 are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Larry Patrick, at (405) 286-3405 or LPatrick@novoog.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR NOVO OIL & GAS NORTHERN

**DELAWARE LLC** 

### Novo - Ovation Wells Ammended Applications Case Nos. 21549-21550 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						This is a reminder to arrange for redelivery
	John Lawrence Thoma, Trustee of					of your item or your item will be returned
9414811898765826920574	The Cornerstone Family Trust	PO Box 17656	Golden	СО	80402-6027	to sender.
9414811898765826928266	Crownrock Minerals, LP	PO Box 51933	Midland	TX	79710-1933	Your item was delivered at 12:13 pm on November 18, 2020 in MIDLAND, TX 79705.
9414811898765826928297	The Allar Company	PO Box 1567	Graham	TX	76450-7567	Your item was delivered at 10:28 am on November 17, 2020 in GRAHAM, TX 76450.
9414811898765826928235	HH&P Energy, LLC	PO Box 687	Graham	TX	76450-0687	Your item was delivered at 1:18 pm on November 17, 2020 in GRAHAM, TX 76450.
9414811898765826928815	MCM Permian, LLC	PO Box 1540	Midland	TX	79702-1540	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
044 404 400076	Occidental Permian Limited	Consequence Dis Che 110		TV	77046 0524	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on
9414811898765826928860	Partnership, Attn Courtney Carr	5 Greenway Plz Ste 110	Houston	IX	77046-0521	November 17, 2020 at 10:31 am. Your item has been delivered to an agent
						for final delivery in HOUSTON, TX 77046 on
9414811898765826928808	OXY USA Inc., Attn Courtney Carr	5 Greenway Plz Ste 110	Houston	TX	77046-0521	November 17, 2020 at 10:31 am.



# Affidavit of Publication Ad # 0004468028 This is not an invoice

**HOLLAND & HART** POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

11/17/2020

Legal Clerk

Subscribed and sworn before me this November 17, 2020:

State of W. County of Brown

NOTARY PUBLIC

My commission expires

NANCY HEYRMAN Notary Public State of Wisconsin

Ad # 0004468028 PO #: Ovation 131H # of Affidavits1

This is not an invoice

**BEFORE THE OIL CONSERVATION DIVISION** 

Santa Fe, New Mexico
Exhibit No. F

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550

#### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPART-MENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearhereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, December 3, 2020, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdima ge.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of plifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene Salvidrez@state.nm.us , or the New Mexico Relay Network at 1-800-659-1779, no later than November 23, 2020.

Persons may view and participate in the hearings through the following link and as indicated below: https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID

=ec97b56813f60ba7489b2ffd641268714 Event number: 146 523 3652

Event password: pMmKMtfF654 Join by Video: 1465233652@nmemnrd.webex.com

Numeric Password: 834052

You can also dial 173.243.2.68 and enter your meeting num-

ber

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 146 523 3652.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled par-ties, including: John Lawrence Thoma, Trustee of the Cornerstone Family Trust; Crownrock Minerals, LP; The Allar Company; HH&P Energy, LLC; MCM Permian, LLC; Occiden-tal Permian Limited Partnership; and OXY USA Inc.

Case No. 21549: Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21092, Eddy County, New Delaware, LLC to amend Order R-21092, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-21092 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. The amended horizontal spacing unit will be pooled under the terms of Order R-21092 and dedicated to these proposed initial wells:

these proposed initial wells:

• The Ovation Fed Com 1318 #131H Well to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T235, R28E, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18;

• The Ovation Fed Com 1318 #132H Well to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and

The Ovation Fed Com 1318 #135H Well to be horizontally drilled from a surface location in the E/2 NE/4 of Section 14 T235, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18.

The completed interval for the Ovation Fed Com 1318 #132H Well will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing com-prised of the N/2 of Sections 13 and 18. Said area is located approximately 3 miles east of Loving, New Mexico. #4468028, Current Argus, Nov. 17, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearnereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, December 3, 2020, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http:// s:15 a.m. 10 participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amultifac sign language interpreter or other form of plifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than November 23, 2020.

Persons may view and participate in the hearings through the following link and as indicated below: https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID

=ec97b56813f60ba7489b2ffd641268714

Event number: 146 523 3652 Event password: pMmKMtfF654 Join by video: 1465233652@nmemnrd.webex.com

Numeric Password: 834052

You can also dial 173.243.2.68 and enter your meeting num-

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 146 523 3652

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: John Lawrence Thoma, Trustee of the Cornerstone Family Trust; Crownrock Minerals, LP; The Allar Company; HH&P Energy, LLC; MCM Permian, LLC; Occidental Permian Limited Partnership; and OXY USA Inc.

Case No. 21550: Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21093, Eddy County, New Delaware, LLC to amend Order R-21093, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-21093 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. This horizontal spacing unit will be pooled under the terms of Order R-21093 and dedicated to these proposed initial wells:

oposed initial wells:

• The Ovation Fed Com 1318 #211H Well, the Ovation Fed Com 1318 #221H Well, the Ovation Fed Com 1318 #221H Well, the Ovation Fed Com 1318 #231H Well, and the Ovation Fed Com 1318 tion Fed Com 1318 #232H Well, each will be horizontally drilled from a common surface location in the NE/4 NE/4

(Unit A) of Section 14, T235, R28E, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18;

• The Ovation Fed Com 1318 #222H Well will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T235, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and

• The Ovation Fed Com 1318 #215H Well, the Ovation Fed Com 1318 #225H Well, and the Ovation Fed Com 1318 #235H Well each will be horizontally drilled from a common surface location in the E/2 NE/4 of Section 14, T235, R28E, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section

Said area is located approximately 3 miles east of Loving, New Mexico.

#4468028, Current Argus, Nov. 17, 2020