State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Dylan M. Fuge Deputy Secretary **Dylan M. Fuge**, Division Director (Acting) **Oil Conservation Division**



Ms. Jaclyn M. McLean jmclean@hinklelawfirm.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8729

Novo Oil & Gas Northern Delaware, LLC [OGRID 372920] Rana Salada 0605 Federal Com Well No. 221H API No. 30-015-47775

Reference is made to your application received on March 4th, 2024.

Proposed Location

	<u>Footages</u>	Unit/Lot	Sec.	Twsp	Range	County
Surface	1340 FNL & 585 FEL	Н	01	23S	28E	Eddy
First Take Point	330 FNL & 100 FWL	D/04	06	23S	29E	Eddy
Last Take Point/	330 FNL & 330 FEL	A/01	05	23S	29E	Eddy
Terminus						

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
N/2 Section 06	636.09	Purple Sage; Wolfcamp, Gas	98220
N/2 Section 05			

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

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

Administrative Order NSL - 8729 Novo Oil & Gas Northern Delaware, LLC Page 2 of 2

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

Section 01, T23S R28E, encroachment to the NE/4

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

Division understands you are seeking this unorthodox location to avoid causing wasted resources and reducing the production of well within the Wolfcamp formation underlying N/2 of Section 06 and the N/2 of Section 05, and thereby protecting correlative rights.

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

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

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

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

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

Date: 4/5/24

DYLAN M. FUGE

Division Director (Acting)

DMF/lrl

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

CONDITIONS

Action 335251

CONDITIONS

Operator:	OGRID:
NOVO OIL & GAS NORTHERN DELAWARE, LLC	372920
300 N. Marienfeld St Ste 1000	Action Number:
Midland, TX 79701	335251
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	4/19/2024