BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING APRIL 07, 2022

CASE NO. 22615

TURKS FEE 211H, 231H, 221H, 232H & 212H WELLS

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 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 22615

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- 7. Novo Exhibit A-4 Chronology of Contact with Non-Joined Working Interests
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- 9. Novo Exhibit B-1 Execution Plan / Locator Map
- 10. Novo Exhibit B-2 Structure Map for top of Wolfcamp XY and A
- 11. Novo Exhibit B-3 Structure Map for top of Wolfcamp B Pay
- 12. Novo Exhibit B-4 Stratigraphic Cross-Section, with inset Cross-Section Map
- 13. Novo Exhibit C Notice Affidavit
- 14. Novo Exhibit D Affidavit of Publication of Notice

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22615	APPLICANT'S RESPONSE
Date: April 7, 2022	
Applicant	Novo Oil & Gas Northern Delaware, LLC
Designated Operator & OGRID (affiliation if applicable)	372920
Applicant's Counsel:	Holland & Hart LLP
Case Title:	Applications of Novo Oil & Gas Northern Delware, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	none
Well Family	Titus Fee 07
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code:	Purple Sage; 98220
Well Location Setback Rules:	Special pool rules for Purple Sage
Spacing Unit Size:	320, more or less
Spacing Unit	
Type (Horizontal/Vertical)	horizontal
Size (Acres)	320, more or less
Building Blocks:	half sections
Orientation:	North/South
Description: TRS/County	W/2 of Secction 7, Township 23 South, Range 28 East, 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	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	No
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

Received by OCD: 4/5/2022 7:55:23 PM		Page 4 of 45
Well #1	Turks Fee 07 211HSHL:476 feet from the North line & 925 feet from the West line,(Lot 1) of Section 18, Township 23 South, Range 28 East, Eddy Cnty.BHL: 100 feet from the North line & 330 feet from the West line,(Lot 1) of Section 7, Township 23 East, Range 28 East, Eddy Cnty.Completion Target: Wolfcamp (Purple Sage)Well Orientation: South to NorthCompletion Location expected to be: standard	
Well #2	Turks Fee 07 221HSHL:476 feet from the North line & 965 feet from the West line,(Lot 1) of Section 18, Township 23 South, Range 28 East, Eddy Cnty.BHL: 100 feet from the North line & 1254 feet from the West line,(Lot 1) of Section 7, Township 23 East, Range 28 East, Eddy Cnty.Completion Target: Wolfcamp (Purple Sage)Well Orientation: South to NorthCompletion Location expected to be: standard	_
Well #3	Turks Fee 07 212HSHL:476 feet from the North line & 1005 feet from the West line,(Lot 1) of Section 18, Township 23 South, Range 28 East,Eddy CntyBHL: 100 feet from the North line & 2178 feet from the West line,(Unit C) of Section 7, Township 23 East, Range 28 East, Eddy CntyCompletion Target: Wolfcamp (Purple Sage)Well Orientation: South to NorthCompletion Location expected to be: standard	
Well #4	Turks Fee 07 232HSHL:476 feet from the North line & 985 feet from the West line,(Lot 1) of Section 18, Township 23 South, Range 28 East,Eddy CntyBHL: 100 feet from the North line & 1870 feet from the West line,(Unit C) of Section 7, Township 23 East, Range 28 East, Eddy CntyCompletion Target: Wolfcamp (Purple Sage)Well Orientation: South to NorthCompletion Location expected to be: standard	
Well #5	Turks Fee 07 231HSHL:476 feet from the North line & 945 feet from the West line,(Lot 1) of Section 18, Township 23 South, Range 28 East,Eddy CntyBHL: 100 feet from the North line & 330 feet from the West line,(Lot 1) of Section 7, Township 23 East, Range 28 East, Eddy CntyCompletion Target: Wolfcamp (Purple Sage)Well Orientation: South to NorthCompletion Location expected to be: standard	_
Horizontal Well First and Last Take Points	Novo Exhibit A-1	
Completion Target (Formation, TVD and MD)	Novo Exhibits A-3, B-4	_
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$8,000	1
Production Supervision/Month \$	\$800	1
Justification for Supervision Costs	Novo Exhibit A	1
Requested Risk Charge	Application, Exhibit A	
Notice of Hearing		
Proposed Notice of Hearing	Novo Exhibit D	
Preased Mailed Notige of the ring (20 pays before hearing	g) Novo Exhibit D	

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Proof of Published Notice of Hearing (10 days before hearing)	Novo Exhibit E
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Novo Exhibit A-2
Tract List (including lease numbers and owners)	Novo Exhibit A-2
Pooled Parties (including ownership type)	Novo Exhibit A-2
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	n/a
Joinder	
Sample Copy of Proposal Letter	Novo Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Novo Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Novo Exhibit A-4
Overhead Rates In Proposal Letter	Novo Exhibit A-3
Cost Estimate to Drill and Complete	Novo Exhibit A-3
Cost Estimate to Equip Well	Novo Exhibit A-3
Cost Estimate for Production Facilities	Novo Exhibit A-3
Geology	
Summary (including special considerations)	Novo Exhibit B
Spacing Unit Schematic	Novo Exhibits A-2, B-1
Gunbarrel/Lateral Trajectory Schematic	n/a
Well Orientation (with rationale)	Novo Exhibit B
Target Formation	Novo Exhibits B, B-4
HSU Cross Section	Novo Exhibit B-4
Depth Severance Discussion	n/a
Forms, Figures and Tables	
C-102	Novo Exhibit A-1
Tracts	Novo Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Novo Exhibit A-2
General Location Map (including basin)	Novo Exhibit A-2, B-1
Well Bore Location Map	Novo Exhibit A-2, B-1
Structure Contour Map - Subsea Depth	Novo Exhibits B-2, B-3
Cross Section Location Map (including wells)	Novo Exhibit B-4
Cross Section (including Landing Zone)	Novo Exhibit B-4
Additional Information	
Special Provisions/Stipulations	none
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Julia Broggi —
Signed Name (Attorney or Party Representative):	Julie Br.
Date:) 5-Apr-2
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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 22615

APPLICATION

Novo Oil & Gas Northern Delaware, LLC ("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, for an order pooling all uncommitted interest in the Wolfcamp formation [Purple Sage; Wolfcamp (Gas) (98220)] underlying a standard 316.80-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant proposes to initially dedicate the above reference spacing unit to the following proposed wells, all of which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of adjacent Section 18:

- Otis Fee 07 211H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- Otis Fee 07 231H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- Otis Fee 07 221H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- Otis Fee 07 232H well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7; and

• Otis Fee 07 212H well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7.

3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.

4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. 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 the horizontal spacing unit should be pooled and Applicant should be designated the operator of this proposed horizontal well spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

Keners ra By: 🏼

Michael H. Feldewert Adam G. Rankin Julia Broggi Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com arankin@hollandhart.com

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 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 22615

AFFIDAVIT OF BRANDON PATRICK IN SUPPORT OF CASE NO. 22615

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 the Vice President of Land.

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 application filed by Novo in this case, and I am familiar with the status of the lands in the subject area.

4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.

5. Novo is seeking an order pooling all uncommitted interests in the Wolfcamp formation [Purple Sage; Wolfcamp] underlying a standard 316.80-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

re or less, horizontal ange 28 East, BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

- 6. Novo seeks to dedicate the above spacing unit to the following proposed wells, all of which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of adjacent Section 18:
 - **Turks Fee 07 211H** well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
 - **Turks Fee 07 231H** well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
 - **Turks Fee 07 221H** well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
 - **Turks Fee 07 232H** well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7; and
 - **Turks Fee 07 212H** well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7.
 - 7. The completed intervals for the proposed wells will comply with the special pool

rules for the Wolfcamp Purple Sage Pool.

8. Novo has prepared draft Form C-102s for each of the proposed wells, a copy of

which is attached as Novo Exhibit A-1.

- 9. The Pool Code for the proposed well is 98220.
- 10. There are no depth severances in the Wolfcamp formation.
- 11. **Novo Exhibit A-2** is an exhibit prepared by me that includes a locator map and

identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes fee land only. This exhibit shows the interest owners by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit, is also included on the exhibit.

12. Novo is seeking to pool unleased mineral interest owners and working interest owners.

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13. Novo sent a well proposal letter to the unleased mineral interest owners and working interest owners. An AFE was included with the well proposal letter. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area. A copy of a well proposal letter, an amendment to the well proposal letter, and AFEs for all five wells, are attached as **Novo Exhibit A-3**.

14. A chronology of Novo's contacts with the interest owners it is seeking to pool is attached hereto as **Novo Exhibit A-4**.

15. Novo seeks approval of overhead and administrative costs at \$8,000/month while drilling and \$800/month while producing. 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 this case.

16. In my opinion, Novo has made good faith efforts to reach an agreement with the parties it is seeking to pool. If Novo reaches an agreement with the proposed pool parties before the Division enters an order, I will let the Division know that Novo is no longer seeking to pool those parties.

17. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Novo Exhibit A-2. 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.

18. Not all parties were locatable. Notice of this hearing was also provided by publication in the Carlsbad Current-Argus.

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19. **Novo Exhibits A-1 through A-4** were either prepared by me or compiled under my direction and supervision.

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BRANDON PATRICK

STATE OF OKLAHOMA

SUBSCRIBED and SWORN to before me this _____ day of April 2022 by

Brandon Patrick

NOTARY PUBLIC

My Commission Expires:

5/22/24

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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

AMENDED REPORT

	WELL LOCATION AND ACREAGE DEDICATION PLAT									
¹ API Number ² Pool					e		³ Pool Na	me		
⁴ Property C	Code				⁵ Property	Name			6	Well Number
					TURKS F	`EE 07				211H
⁷ OGRID	No.				⁸ Operator	Name				⁹ Elevation
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			3060.6
	·				¹⁰ Surfac	e Location		·		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
1	18	23 S	28 E		476	NORTH	925	WES	ST	EDDY
			пF	Bottom H	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	st line	County
1	7	23 S	28 E		100	NORTH	330	WES	ST	EDDY
¹² Dedicated Acre	s ¹³ Joint	or Infill	Consolidatio	n Code	¹⁵ Order No.					
	1									

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.

	89°20'08"E 2616.57 FT	N89°20'59"E 2618.16 FT		17 OPERATOR CERTIFICATION
NW CORNER SEC. 7	330'	N/4 CORNER SEC. 7 LAT. = 32.3272407*N	NE CORNER SEC. 7	I hereby certify that the information contained herein is true and complete
LAT. = 32.3271709°N ⊑ LONG. = 104.1349812′W ∞	Војттом	LONG. = 104.1265125'W	LONG. = 104.1180387 W	to the best of my knowledge and belief, and that this organization either
NMSP EAST (FT) 💬 N = 482813.65 😸		NMSP EAST (FT) N = 482843.99	NMSP EAST (FT) N = 482873.70	owns a working interest or unleased mineral interest in the land including
E = 602605.00 ∾		E = 605220.78	∾ E = 607838.18	the proposed bottom hole location or has a right to drill this well at this
۳ 25	L2 BOTTOM OF HOLE LAT. = 32.3269049*N	LAST TAKE POINT 330, FNL, 330' FWL	36"	location pursuant to a contract with an owner of such a mineral or working
W/4 CORNER SEC. 7 0	LONG. = 104.1339143°W NMSP EAST (FT)	LAT. = 32.3262728*N LONG. = 104.1339171*W	S E/4 CORNER SEC. 17	interest, or to a voluntary pooling agreement or a compulsory pooling order
W/4 CORNER SEC. 7 LAT. = 32.3199069'N Z LONG. = 104.1350130'W	N = 482717.49 E = 602934.74		LAT. = 32.3199294'N LONG. = 104.1181360'W	heretofore entered by the division.
NMSP EAST (FT)		ţ. 7 — — — — — — — — — — — — — — — — — —	NMSP EAST (FT)	
N = 480171.08 E = 602600.07	FIRST TAKE POINT	l I	E = 607813.49	Signature Date
5.3	330' FSL, 330' FWL LAT. = 32.3135433'N		36.07	-
262	L_3 LONG. = 104.1339715*W	LL	2686.	
47"E	L4	QUARTER CORNER	44 W	Printed Name
.02	- FTP	LONG. = 104.1266490'W	41,	
SECTION CORNER 0 LAT. = 32.3126423 N 2		NMSP EAST (FT) N = 477516.03	SECTION CORNER	E-mail Address
LONG. = 104.1350432'W NMSP EAST (FT)	S89 43'45"E 2593.90 FT	E = 605188.90 S89'44'07"E	LONG. = 104.1182590'W NMSP EAST (FT)	
N = 477528.30 E = 602595.63	925'	2592.61 FT	NMSP EAST (FT) N = 477504.05 E = 607780.89	ISURVEYOR CERTIFICATION
72			34	I hereby certify that the well location shown on this plat
2665			2643.	was plotted from field notes of actual surveys made by
"20"E	TURKS FEE 07 211.	±	45"E	me or under my supervision, and that the same is true
34,2	ELEV. = 3060.6'	L I	33,	
OON	LAT. = 32.3113174'N LONG. = 104.132068	(NAD83) W	.00S	and correct to the best of my belief.
W/4 CORNER SEC. 18 SCALED	NMSP_EAST_(FT) N = 477048.03	<u> </u>	E/4 CORNER SEC. 18 SCALED	MARCH 21, 2022
SCALLU E	E = 603515.68			Date of Survey
.72	SEC	18	.34	THE ME AND AND
2665.	17		2643	LAND AND NON N
SW CORNER SEC. 18 💭		⊥	SE CORNER SEC. 18	
LAT. = 32.2979913*N R LONG. = 104.1352475'W		2980073°N 4.1266844'W	₩ LAT. = 32.2980196'N ₩ LONG. = 104.1181254'W	Signature and Seal of Projectional Surveyor:
NMSP EAST (FT)	NMSP E	AST (FT)	NMSP EAST (FT)	Certificate Number:
N = 472198.35 ≥ E = 602542.39	E = 60	2209.14 5188.19	\tilde{O} N = 472218.84 E = 607832.78	PROF5558 VALLAO. 9015C
-	S89'45'59"W 2646.44 FT	S89'47'24"W 2645.21 FT		

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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

AMENDED REPORT

			WELL LC			EAGE DEDIC				
1	API Number	r		² Pool Cod	le	³ Pool Name				
⁴ Property C	Code				⁵ Property	Name			6 1	Well Number
					TURKS F	'EE 07				231H
⁷ OGRID	No.				⁸ Operator	Name				⁹ Elevation
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			3060.4
	•				[™] 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
1	18	23 S	28 E		476	NORTH	945	WES	ST	EDDY
			пF	Bottom H	Hole Location	If Different Fr	om Surface			
UL or lot no.	Section	Township	o Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County
1	7	23 S	28 E		100 NORTH 330 WEST EDDY					
¹² Dedicated Acre	s ¹³ Joint	or Infill	¹⁴ Consolidation	n Code	¹⁵ Order No.					

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

	89'20'08"E 2616.57 FT	N89°20'59"E 2618.16 FT	7	¹⁷ OPERATOR CERTIFICATION
NW CORNER SEC. 7	330'	N/4 CORNER SEC. 7 LAT. = 32.3272407*N	NE CORNER SEC. 7	I hereby certify that the information contained herein is true and complete
LAI. = 32.3277709 NL LONG. = 104.1349812'W $_{\infty}$	Воттом	LONG. = 104.1265125'W	LONG. = 104.1180387 W	to the best of my knowledge and belief, and that this organization either
NMSP EAST (FT) 🙀 N = 482813.65 🐈		NMSP EAST (FT) N = 482843.99	V_{12} NMSP EAST (FT) V_{12} N = 482873.70 V_{12} E = 607838.18	owns a working interest or unleased mineral interest in the land including
E = 602605.00	Li	E = 605220.78	∾ E = 607838.18	the proposed bottom hole location or has a right to drill this well at this
25"E	L2 BOTTOM OF HOLE LAT. = 32.3269049*N	LAST TAKE POINT 330, FNL, 330 FWL	36"	location pursuant to a contract with an owner of such a mineral or working
W/4 CORNER SEC. 7 Q	LONG. = 104.1339143'W NMSP EAST (FT)	LAT. = 32.3262728*N LONG. = 104.1339171*W	S E/4 CORNER SEC. 17	interest, or to a voluntary pooling agreement or a compulsory pooling order
W/4 CORNER SEC. 7 LAT. = 32.3199069*N Z LONG. = 104.1350130*W	N = 482717.49 E = 602934.74		ο LÁT. = 32.3199294*N	heretofore entered by the division.
NMSP EAST (FT)		± . 7	LONG. = 104.1181360'W NMSP EAST (FT)	
N = 480171.08 E = 602600.07	FIRST TAKE POINT		E = 480189.31 E = 607813.49	Signature Date
3.39	330' FSL, 330' FWL		0	6
264	LAT. = 32.3135433*N L3 LONG. = 104.1339715*W		2686.	
17"E	L4	QUARTER CORNER	44.W	Printed Name
, 20.		LONG. = 104.1266490'W	41,	
SECTION CORNER 8 LAT. = 32.3126423 N 2	FTP	NMSP EAST (FT) N = 477516.03	8 SECTION CORNER 10 LAT. = 32.3125482*N	E-mail Address
LONG. = 104.1350432'W NMSP EAST (FT)	S89'43'45"E 2593.90 FT	E = 605188.90 S89'44'07"E	LONG. = 104.1182590 W	
N = 477528.30 E = 602595.63	945'	2592.61 FT	NMSP EAST (FT) N = 477504.05 E = 607780.89	¹⁸SURVEYOR CERTIFICATION
.72	SURFAC		3.34	I hereby certify that the well location shown on this plat
2665			264	was plotted from field notes of actual surveys made by
20"E	L2	 H	45" E	me or under my supervision, and that the same is true
N00 ⁻ 34	ELEV. = 3060.4' LAT. = 32.3113171'N	(NAD83)	0.33'	and correct to the best of my belief.
-	LONG. = 104.132003 NMSP EAST (FT)	4'W	E/4 CORNER SEC. 18	MARCH 21, 2022
W/4 CORNER SEC. 18 SCALED	N = 477047.96	<u></u>	SCALED	
E al	E = 603535.65		E +	Date of Survey
55.72	SEC	18	13.3	
266	L3		264	
SW CORNER SEC. 18 및비 LAT. = 32.2979913*N 있		ER SEC. 18 .2980073*N	└┘ SE CORNER SEC. 18 └♀ LAT. = 32.2980196*N	
LONG. = 104.1352475 W	LONG. = 10	4.1266844'W	S LONG. = 104.1181254 W	Signature and Seal of Professional Surveyor:
NMSP EAST (FT) 0 N = 472198.35	N = 47	AST (FT) /2209.14	NMSP EAST (FT) N = 472218.84	Certificate Number: (PATATION & LARAMILLO, LS 12797
E = 602542.39	E = 60 S89'45'59"W 2646.44 FT	5188.19 S89°47'24"W 2645.21 FT	E = 607832.78	PROFISE VESTIO. 9311A

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	¹ API Number ² Pool					³ Pool Name					
⁴ Property (Code	⁵ Property Name ⁶ Well Numl							Well Number		
					TURKS F	TEE 07				221H	
⁷ OGRID	No.				⁸ Operator	Name				⁹ Elevation	
37292	0		NOV	O OIL &	GAS NORTH	ERN DELAWA	RE, LLC			3060.6	
	·				[™] 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	
1	18	23 S	28 E		476	NORTH	965	WE	ST	EDDY	
			пI	Bottom H	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	est line	County	
1	7	23 S	28 E		100	NORTH	1254	WE	WEST EDDY		
¹² Dedicated Acre	s ¹³ Joint	or Infill ¹⁴	Consolidatio	n Code	¹⁵ Order No.						

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

N89'20'08" 2616.57 FT	N89°20'59 <u>"</u> E 2618.1 <u>6 FT</u>		17 OPERATOR CERTIFICATION
NW CORNER SEC. 7- 1254'	N/4 CORNER SEC. 7 LAT. = 32.3272407*N	NE CORNER SEC. 7 LAT. = 32.3273082*N	I hereby certify that the information contained herein is true and complete
LONG. = 104.1349812'W m	$L \pm LONG. = 104.1265125W$	∼ LONG. = 104.1180387'W	to the best of my knowledge and belief, and that this organization either
NMSP EAST (FT) 5	NMSP EAST (FT) N = 482843.99	∑ NMSP EAST (FT) N = 482873.70 E = 607838.18	owns a working interest or unleased mineral interest in the land including
$E = 602605.00$ $\frac{2}{\mu}$	E = 605220.78	∾ E = 607838.18	the proposed bottom hole location or has a right to drill this well at this
	BOTTOM OF HOLE LAT. = 32.3269296*N	.36"	location pursuant to a contract with an owner of such a mineral or working
W/4 CORNER SEC. 7	LONG. = 104.1309234'W	S E/4 CORNER SEC. 17	interest, or to a voluntary pooling agreement or a compulsory pooling order
LAT. = 32.3199069'N 2 LONG. = 104.1350130'W	N = 482728.21 E = 603858.55	LAT. = 32.3199294"N LONG. = 104.1181360"W	heretofore entered by the division.
NMSP EAST (FT)	c. 7	NMSP EAST (FT)	
N = 480171.08 E E = 602600.07	LAST TAKE POINT	E = 607813.49	Signature Date
43.3	330, FNL, 1254' FWL LAT. = 32.3262975°N	2686.07	
	LONG. = 104.1309262'W		Printed Name
	<i>FIRST TAKE POINT</i> 330' FSL, 1254' FWL	44"W	T miled Ivanie
	LAT. = 32.3135265*N	41,	
LAT. = 32.3126423'N 2	LONG. = 104.1309813*W S89.44'07"E	0 LAT. = 32.3125482*N	E-mail Address
LONG. = 104.1350432'W / S89'43'45'E NMSP EAST (FT) / 2593.90 FT	2592.61 FT QUARTER CORNER	LONG. = 104.1182590'W NMSP EAST (FT)	
N = 477528.30 E = 602595.63 965'	LAT. = 32.3125951*N LONG. = 104.1266490*W	E = 607780.89	¹⁸SURVEYOR CERTIFICATION
	CE NMSP EAST (FT)	2643.34	I hereby certify that the well location shown on this plat
	ON = 477516.03 E = 605188.90	264	was plotted from field notes of actual surveys made by
₩12 <i>TURKS FEE 07 22</i> ELEV. = 3060.6'	1.H	45"E	me or under my supervision, and that the same is true
Q LAT. = 32.3113169*	N (NAD83)	800.33	and correct to the best of my belief.
∠ LONG. = 104.13193 W/4 CORNER SEC. 18 NMSP EAST (FT)	86'W	ස්/4 CORNER SEC. 18	MARCH 21, 2022
SCALED $N = 477047.91$ E = 603555.66	<u></u>	SCALED	Date of Survey
		4 F	Date of Survey
	C. 18	643.3	
	1		
LAT. = 32.2979913'N	NER SEC. 18 32,2980073°N	SE CORNER SEC. 18 LAT. = 32.2980196*N	
	104.1266844'W EAST (FT)	2 LONG. = 104.1181254'W NMSP EAST (FT)	Signature and Seal of Professional Surveyor:
N = 472198.35 Z	47/2209.14 605188.19	NMSP EAST (FT) N = 472218.84 E = 607832.78	Certificate Number: District No. 140 August 12797
E = 602342.39 $E =S89'45'59"W 2646.44 FT$	S89°47'24"W 2645.21 FT	00/002.70	1 10/5552 11 10. 9017D

Page 15 of 45

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

Page 16 of 45

	WELL LOCATION AND ACREAGE DEDICATION PLAT									
¹ API Number ² Pool (² Pool Code	9		³ Pool Na	me		
⁴ Property (odo				⁵ Property	Nama			6	Well Number
Toperty	Joue				TURKS					232H
⁷ OGRID	No.				⁸ Operator					⁹ Elevation
37292	0		NOV	O OIL &	GAS NORTH	IERN DELAWAI	RE, LLC			3060.6
					[™] 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
1	18	23 S	28 E		476	NORTH	985	WE	ST	EDDY
			пF	Bottom H	lole Location	n 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	est line	County
С	7	23 S	28 E		100 NORTH 1870 WEST EDDY			EDDY		
¹² Dedicated Acre	s ¹³ Joint	or Infill ¹⁴ (Consolidation	n Code	¹⁵ Order No.					

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

	N89°20'08"E 2616,57 FTN89°20'59"E 2618.16 FT	_	17 OPERATOR CERTIFICATION
NW CORNER SEC. 7		NE CORNER SEC. 7 	I hereby certify that the information contained herein is true and complete
LAT. = 32.3271709*N L LONG. = 104.1349812'W ∞	1 LONC - 104 1265125W	LONG. = 104.1180387'W	to the best of my knowledge and belief, and that this organization either
NMSP EAST (FT) איז N = 482813.65 למ	LTP NMSP EAST (FT) N = 482843.99	∑ NMSP EAST (FT) ₩ = 482873.70 ₩ E = 607838.18	owns a working interest or unleased mineral interest in the land including
E = 602605.00		≈ E = 607838.18	the proposed bottom hole location or has a right to drill this well at this
25"E	L2 BOTTOM OF HOLE LAT. = 32.3269460'N	36"	location pursuant to a contract with an owner of such a mineral or working
W/4 CORNER SEC. 7 Q	LONG. = 104.1289295'W NMSP EAST (FT)	ਲ 8 E/4 CORNER SEC. 17	interest, or to a voluntary pooling agreement or a compulsory pooling order
LAT. = 32.3199069'N Z LONG. = 104.1350130'W	N = 482735.35 E = 604474.42	LAT. = 32.3199294*N	heretofore entered by the division.
NMSP EAST (FT)	SEC. 7	LONG. = 104.1181360'W NMSP EAST (FT)	
N = 480171.08 E E = 602600.07	LAST TAKE POINT	L N = 480189.31 E = 607813.49	Signature Date
.3.35	330, FNL, 1870' FWL LAT. = 32.3263139'N		č
264	L3L0NG. = 104.1289323"W		
47"E	L4 FIRST TAKE POINT	44"W	Printed Name
.02,7	330' FSL, 1870' FWL LAT. = 32.3135153'N	4	
SECTION CORNER 8 LAT. = 32.3126423*N 2	UNG. = 104.1289878 W S89'44'07"E	SECTION CORNER LAT. = 32.3125482'N	E-mail Address
LONG. = 104.1350432'W NMSP EAST (FT)	S89'43'45"E 2592.61 FT 2593.90 FT QUARTER CORNER	LONG. = 104.1182590'W NMSP EAST (FT)	
N = 477528.30 E = 602595.63	985' • LAT. = 32.3125951'N LAT. = 32.3125951'N LONG. = 104.1266490'W	N = 477504.05 E = 607780.89	¹⁸SURVEYOR CERTIFICATION
5.72	SURFACE NMSP EAST (FT)	4 E = 001/20.09	I hereby certify that the well location shown on this plat
266	LI LOCATION N = 477516.03 E = 605188.90	264.	was plotted from field notes of actual surveys made by
C.F.		5"E	me or under my supervision, and that the same is true
34'20"E	<i>TURKS FEE 07 232H</i> ELEV. = 3058.6'	33,4	
OON	LAT. = 32.3113164'N (NAD83) LONG. = 104.1318739'W	soo.	and correct to the best of my belief.
W/4 CORNER SEC. 18 SCALED	NMSP_EAST_(FT)	E/4 CORNER SEC. 18 SCALED	MARCH 21, 2022
SCALED	E = 603575.64	L SCALLD	Date of Survey
.72	SEC 18	.34	A SUME A
2665.		2643.	A THE THE AND A MAN A
SW CORNER SEC. 18 歫	L3	E CORNER SEC. 18	
LAT. = 32.2979913'N R LONG. = 104.1352475'W t	LAT. = 32,2980073*N LONG. = 104.1266844 W	4 LAT. = 32.2980196'N C LONG. = 104.1181254'W	Signature and Seal of Protectional Surveyor:
NMSP EAST (FT) 0 N = 472198.35	NMSP EAST (FT)	NMSP EAST (FT) N = 472218.84	Certificate Number: DETAINS LARAMILLO, LS 12797
E = 602542.39	$N = 47/2209.14 \\ E = 60/5188.19$	E = 607832.78	PROFESSIVE NO. 9312B
	S89'45'59"W 2646.44 FT S89'47'24"W 2645.21 FT		

Released to Imaging: 4/6/2022 1:13:13 PM

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

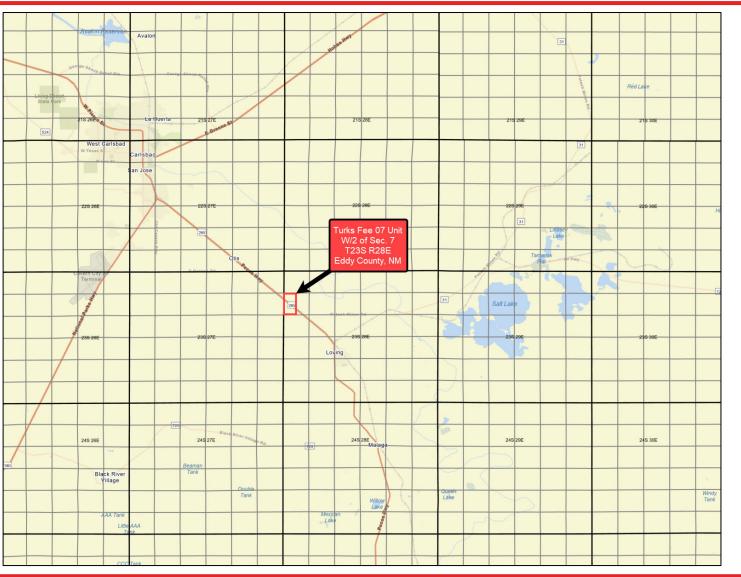
						EAGE DEDIC					
1 A	API Number			² Pool Code	e	³ Pool Name					
⁴ Property C	ada				⁵ Property	Nama			⁶ Well Number		
Toperty C	Jue										
					TURKS F	EE 07			212H		
⁷ OGRID N	No.				⁸ Operator	Name			⁹ Elevation		
37292)		NOV	O OIL &	& GAS NORTHERN DELAWARE, LLC				3058.7		
					¹⁰ Surfac	e Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ne County		
1	18	23 S	28 E		476	NORTH	1005	WEST	EDDY		
			пF	Bottom H	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/West li	ne County		
С	7	23 S	28 E		100	NORTH	2178	WEST	EDDY		
¹² Dedicated Acres	¹³ Joint	or Infill ¹⁴	Consolidatio	n Code	•		¹⁵ Order No.		•		

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

	N89°20'08"E 2616.57 🗖	N89'20'59"E 2618.16 FT	_	¹⁷ OPERATOR CERTIFICATION
NW CORNER SEC. 7		N/4 CORNER SEC. 7 LAT. = 32.3272407*N	NE CORNER SEC. 7	I hereby certify that the information contained herein is true and complete
LAT. = 32.3271709°N ⊑ LONG. = 104.1349812′W ∞		LONG. = 104.1265125W	LONG. = 104.1180387'W	to the best of my knowledge and belief, and that this organization either
NMSP EAST (FT) 5 N = 482813.65 5		NMSP EAST (FT) N = 482843.99	MMSP EAST (FT) N = 482873.70 E = 607838.18	owns a working interest or unleased mineral interest in the land including
E = 602605.00 N		E = 605220.78	∾ E = 607838.18	the proposed bottom hole location or has a right to drill this well at this
25"t		<i>BOTTOM OF HOLE</i> LAT. = 32.3269542°N	.36".	location pursuant to a contract with an owner of such a mineral or working
W/4 CORNER SEC. 7 9		LONG. = 104.1279326'W NMSP EAST (FT)	전 영 E/4 CORNER SEC. 17	interest, or to a voluntary pooling agreement or a compulsory pooling order
LAT. = 32.3199069*N 2 LONG. = 104.1350130'W		N = 482738.92 [°] E = 604782.36	LAT. = 32.3199294'N LONG. = 104.1181360'W	heretofore entered by the division.
NMSP EAST (FT)	SEC		NMSP EAST (FT)	
N = 480171.08 E = 602600.07		LAST TAKE POINT	E = 607813.49	Signature Date
43.3	i i	330, FNL, 2178' FWL LAT. = 32.3263221'N	L = 607613.49 0 98 98	
26	L3	LONG. = 104.1279354 W		Printed Name
47"E		<i>FIRST TAKE POINT</i> 330' FSL, 2178' FWL	44"W	rinicu Name
	ETD	LAT. = 32.3135097*N	41,	
SECTION CORNER 8 LAT. = 32.3126423*N 2		LONG. = 104.1279911"W S89'44'07"E	SECTION CORNER LAT. = 32.3125482*N	E-mail Address
LONG. = 104.1350432'W NMSP EAST (FT)		2592.61 FT QUARTER CORNER	LONG. = 104.1182590'W NMSP EAST (FT)	
N = 477528.30 E = 602595.63	1005' 🛻	LAT. = 32.3125951*N LONG. = 104.1266490*W	N = 477504.05	¹⁸SURVEYOR CERTIFICATION
5.72		NMSP EAST (FT)	3.34	I hereby certify that the well location shown on this plat
266		V N = 477516.03 E = 605188.90	264	was plotted from field notes of actual surveys made by
20"E	TURKS FEE 07 212H	,	'45"E	me or under my supervision, and that the same is true
34	ELEV. = 3058.7'		33	
.00N	LAT. = 32.3113160'N LONG. = 104.1318092'	(NAD83) W	.00S	and correct to the best of my belief.
W/4 CORNER SEC. 18 SCALED	NMSP_EAST_(FT) N = 477047.67	·	E/4 CORNER SEC. 18 SCALED	MARCH 21, 2022
t.	E = 603595.62		۲.	Date of Survey
5.72	SEC	18	3.34	
2665	3		264	ANN THE AND A
SW CORNER SEC. 18 มู่ไ LAT. = 32.2979913 N 8	L4 S/4 CORNER		SE CORNER SEC. 18	
LONG. = 104.1352475 W	LAT. = 32,2 LONG. = 104		4 LAT. = 32.2980196'N C LONG. = 104.1181254'W	Signature and Seal of Professional Surveyor:
NMSP EAST (FT) 0 N = 472198.35	NMSP EA N = 472		NMSP EAST (FT) N = 472218.84	Certificate Number:
E = 602542.39	E = 605	188.19	E = 607832.78	PROFESSAVE TO. 9016D
	S89'45'59"W 2646.44 FT	S89'47'24"W 2645.21 FT		

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Locator Map



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A2 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

♦ NOVO

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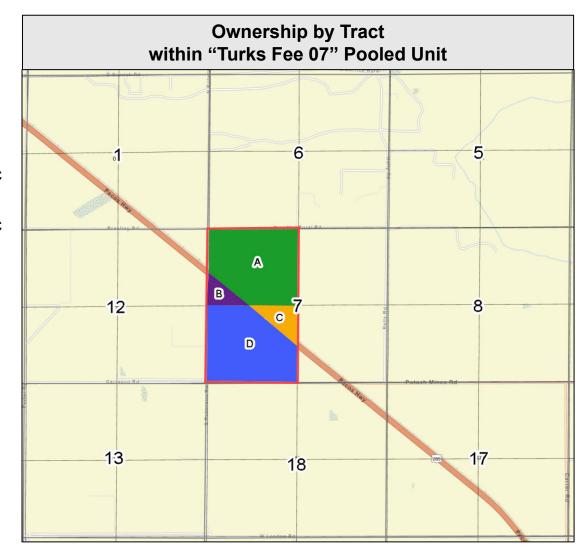
Ownership Overview



Received by OCD: 4/5/2022 7:55:23 PM

Tract Ownership

- A. Marathon Oil Permian LLC Fasken Land and Minerals, Ltd.
- B. Marathon Oil Permian LLC Fasken Land and Minerals, Ltd.
- C. Novo Oil & Gas Northern Delaware, LLC Accelerate Resources Operating, LLC
- D. Novo Oil & Gas Northern Delaware, LLC Accelerate Resources Operating, LLC Clide Oil Corporation (UMI) Diane Carrasco (UMI) Connie Hernandez (UMI) Slaton Resources II, LLC (UMI) Esther Gomez (UMI) Mary Lou Hernandez (UMI) Margaret Carrasco (UMI) MCM Permian, LLC (UMI) Hope Morningstar (UMI) NimTex Energy, LLC (UMI) Heirs of Elias Montoya (UMI)
- UMI = Unleased Mineral Interest



Ownership Overview



Received by OCD: 4/5/2022 7:55:23 PM

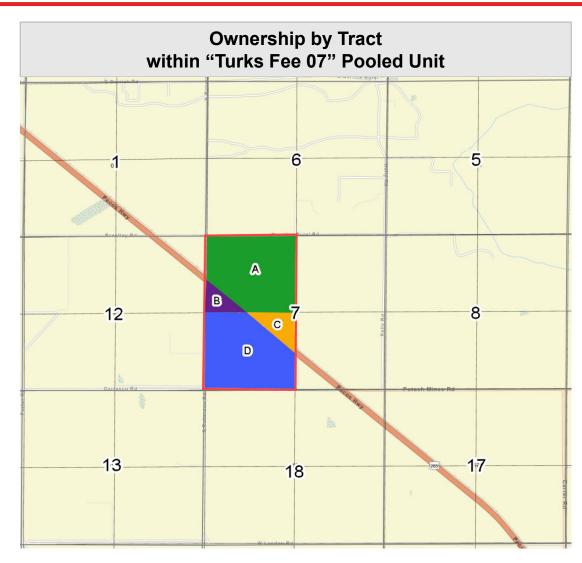
Unit Ownership

Committed Parties (56.86% WI)

- 24.49% WI Novo Oil & Gas Northern Delaware, LLC
 16.63% WI Accelerate Resources Operating, LLC
 -agreed to sell to Novo
 14.59% WI Fasken Land and Minerals, Ltd.
 -JOA with Novo as Operator
- 1.15% WI Clide Oil Corporation -Elected to participate

Uncommitted Parties (43.14% WI)

38.80% WI Marathon Oil Permian LLC
0.24% WI Diane Carrasco
0.24% WI Connie Hernandez
0.30% WI Slaton Resources II, LLC
0.60% WI Esther Gomez
0.30% WI Mary Lou Hernandez
0.30% WI Margaret Carrasco
0.49% WI MCM Permian, LLC
0.30% WI Hope Morningstar
0.60% WI NimTex Energy, LLC
1.12% WI Heirs of Elias Montoya





Brandon Patrick Vice President - Land Novo Oil & Gas Northern Delaware, LLC 1001 West Wilshire Blvd, Suite 206 Oklahoma City, Oklahoma 73116 Office: 405.286.4197 bpatrick@novoog.com

February 1, 2022

Marathon Oil Permian, LLC 555 San Felipe Street Houston, TX 77056

Re: Well Proposals – Otis Fee 07 Unit (316.80 acres) W/2 of Section 7, Township 23 South, Range 28 East Eddy County, New Mexico

Dear Working Interest Owner:

Novo Oil & Gas Northern Delaware, LLC ("Novo") hereby proposes the drilling, completion, and equipping of five (5) horizontal Wolfcamp wells (the "Proposed Wells" or a "Proposed Well") located in the 316.80-acre horizontal spacing unit described as the West one-half (W/2) of Section 7, Township 23 South, Range 28 East, Eddy County, New Mexico (the "Subject Lands"), as follows:

Otis Fee 07 211H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East First take point: 330' FSL & 330' FWL of Section 7, Township 23 South, Range 28 East Last take point: 330' FNL & 330' FWL of Section 7, Township 23 South, Range 28 East BHL: 100' FNL & 330' FWL of Section 7, Township 23 South, Range 28 East The well will be drilled to an approximate true vertical depth of 9,370' subsurface to develop the Wolfcamp XY formation. The proposed well will have a measured depth of approximately 14,870'.

Otis Fee 07 231H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East
First take point: 330' FSL & 330' FWL of Section 7, Township 23 South, Range 28 East
Last take point: 330' FNL & 330' FWL of Section 7, Township 23 South, Range 28 East
BHL: 100' FNL & 330' FWL of Section 7, Township 23 South, Range 28 East
The well will be drilled to an approximate true vertical depth of 10,065' subsurface to develop the
Wolfcamp B formation. The proposed well will have a measured depth of approximately 15,565'.

Otis Fee 07 221H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East First take point: 330' FSL & 1155' FWL of Section 7, Township 23 South, Range 28 East Last take point: 330' FNL & 1155' FWL of Section 7, Township 23 South, Range 28 East BHL: 100' FNL & 1155' FWL of Section 7, Township 23 South, Range 28 East The well will be drilled to an approximate true vertical depth of 9,555' subsurface to develop the Wolfcamp A formation. The proposed well will have a measured depth of approximately 14,855'.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No. A3 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

.

Otis Fee 07 232H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East First take point: 330' FSL & 1650' FWL of Section 7, Township 23 South, Range 28 East Last take point 330' FNL & 1650' FWL of Section 7, Township 23 South, Range 28 East BHL: 100' FNL & 1650' FWL of Section 7, Township 23 South, Range 28 East The well will be drilled to an approximate true vertical depth of 10,095' subsurface to develop the Wolfcamp B formation. The proposed well will have a measured depth of approximately 15,495'.

Otis Fee 07 212H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East First take point: 330' FSL & 1980' FWL of Section 7, Township 23 South, Range 28 East Last take point: 330' FNL & 1980' FWL of Section 7, Township 23 South, Range 28 East BHL: 100' FNL & 1980' FWL of Section 7, Township 23 South, Range 28 East The well will be drilled to an approximate true vertical depth of 9,390' subsurface to develop the Wolfcamp XY formation. The proposed well will have a measured depth of approximately 14,790'.

Authority for Expenditure (AFEs)

Enclosed with this letter is an Authority for Expenditure ("AFE") for each of the five (5) Proposed Wells. Please be aware that the enclosed AFE is only an estimate of costs to be incurred, and by electing to participate you shall be responsible for your proportionate share of all actual costs incurred.

Compulsory Pooling

Provided that less than all owners of an interest entitled to participate in the Proposed Wells so elect to participate, Novo will file an application with the State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division to pool the Subject Lands.

JOA in lieu of Pooling Order

In the event you desire to participate in the Proposed Wells, and as an alternative to participating in the Proposed Wells as a pooled party subject to an ensuing Pooling Order, Novo will provide, upon request, a copy of the governing Joint Operating Agreement ("JOA") to which you may choose to be a signatory party and participate in operations proposed hereunder pursuant to the provisions contained in the JOA.

Election Instructions

Please use the instructions below to make your election for each of the Proposed Wells. Elections are due within 30 days from receipt of this letter.

To make an election in each proposed well, please follow these instructions:

Return a signed copy of this letter indicating your election in the ballot section included with this letter (non-consent or participate); and

- 1. If your election is to non-consent, you only need to return your ballot so indicating.
- 2. For elections to participate, please return:
 - (i) your ballot with regard to each well indicating your election to participate; and
 - (ii) a signed AFE for each well in which you elect to participate.

Should you elect to participate, your interest will automatically be covered by the Operator's insurance unless and until you provide written notice to Operator to the contrary, together with a valid, current insurance certificate from your insurance carrier in compliance with Operator's minimum insurance requirements.

Should you have any questions regarding the above, please do not hesitate to contact me at the information provided in the top of this letter.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC

Brandon Patrick Vice President - Land

PARTICIPATION BALLOT

Marathon Oil Permian, LLC hereby elects to:

Not to participate in the Otis Fee 07 211H

_____ Participate in the Otis Fee 07 211H by paying its proportionate share of all actual costs.

Not to participate in the Otis Fee 07 231H

_____ Participate in the Otis Fee 07 231H by paying its proportionate share of all actual costs.

Not to participate in the Otis Fee 07 221H

_____ Participate in the Otis Fee 07 221H by paying its proportionate share of all actual costs.

_____Not to participate in the Otis Fee 07 232H

_____ Participate in the Otis Fee 07 232 by paying its proportionate share of all actual costs.

Not to participate in the Otis Fee 07 212H

Participate in the Otis Fee 07 212H by paying its proportionate share of all actual costs.

Marathon Oil Permian, LLC

By:

Date: _____

Name: Title:



Larry Patrick Executive Land Advisor Novo Oil & Gas Northern Delaware, LLC 1001 West Wilshire Blvd, Suite 206 Oklahoma City, Oklahoma 73116 Office: 405.286.3405 Ipatrick@novoog.com

February 15, 2022

Marathon Oil Permian, LLC 555 San Felipe Street Houston, TX 77056

Re: Correction to Well Proposals – Otis Fee 07H Unit (316.80 acres) W/2 of Section 7, Township 23 South, Range 28 East Eddy County, New Mexico

Dear Working Interest Owner:

Under letter dated February 1, 2022, Novo Oil & Gas Northern Delaware, LLC proposed the drilling, completion, and equipping of five (5) horizontal Wolfcamp wells located in the 316.80-acre horizontal spacing unit described as the West one-half (W/2) of Section 7, Township 23 South, Range 28 East, Eddy County, New Mexico, as follows:

Otis Fee 07 211H, Otis Fee 07 231H, Otis Fee 07 221H, Otis Fee 07 232H and Otis Fee 07 212H

The surface hole location was shown as "SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East". Please be advised that the letter should have indicated the surface hole location as "SHL NW/4NW/4 of Section 18, Township 23 South, Range 28 East". The wells will be located on an "off lease" pad in the NW/4NW/4 of Section 18, Township 23 South, Range 28 East" and drilled horizontally from south to north across the W/2 of Section 7, Township 23 South, Range 28 East. The AFEs which accompanied the letter correctly identified the surface location for each of the proposed wells.

Should you have any questions regarding the above, please do not hesitate to contact me at the information provided in the top of this letter.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC

Larry Patrick

v		NO	VC)	AUTHORIZATI 1001 West Oklahoma O	ORTHERN DELAWARE, LL DN FOR EXPENDITURE Wilshire, Suite 206 ity, Oklahoma 73116 5-286-4391	.c			
VELL N				Otis Fee 07 211H	AFE TYPE	Development		AFENUMBER		
	E LOCA			330' FSL, 330' FWL Sec. 7-23S-28E (FTP) 476' FNL, 925' FWL Sec. 18-23S-28E	FIELD	Wolfcamp XY		PROPERTY NUMBER DRILLING DAYS		
		LOCATIO	ON	100' FNL, 330' FWL Sec. 7-23S-28E	COUNTY	Eddy	1	DEPTH (TVD/TMD)	9370' /14870'	
ROJEC	TDESC	RIPTION		Drilling, Completion & Facilities costs for Novo 5K W	offcamp XY horizontal	well		STATE	NM	
	ACCT	CODE		DESCRIPTION	FEXPENDITURE			COSTEST		
IDC	ICC	TDC	TCC	DESCRIPTION OF	- EXI ENDITORE	Petrol (Strength)				a service strategy and
REFIX 300	500	PREFIX 400	600	WELL INTAN	GIBLE COSTS		DRILLING	COMPLETIONS	FACILITIES	TOTAL
301 302	501 502			SURVEY/PERMITS/DAMAGES			\$25,000.00 \$67,500.00			\$25,00
303	002	1000	1000	RIG MOVE			\$40,000.00			\$67,50 \$40,00
304 305	505			DRILLING - FOOTAGE DRILLING - DAYWORK			\$254,000.00			\$ \$254,00
-	506 507	-		COMPLETION/WORKOVER RIG COIL TUBING/SNUBBING UNIT				\$125,000.00		\$125,00
200	508			SLICKLINE/SWABBING						\$
309 310	509 510			BITS DIRECTIONAL SERVICES			\$70,000.00 \$90,000.00			\$70,00
311 312	511 512			CASING CREW TOOL & EQUIPMENT RENTAL			\$80,000.00 \$70,000.00	\$150,000.00		\$80,00
313	513			FUEL & POWER			\$94,500.00	\$150,000.00		\$369,50
314 315	515			DJESEL - BASE FOR MUD MUD LOGGING & GEOLOGIST			\$75,000.00			\$75,00
316 317	516 517			DISPOSAL, RESTORATION & BACKFILL TRUCKING			\$90,000.00 \$36,000.00	\$50,000.00		\$140,00
	518			TESTING						\$36,00
319 320	519 520			CEMENTING PERFORATING			\$120,000.00	\$125,000.00		\$120,00
322	521 522			CASED HOLE LOGS DOWNHOLE TOOLS & SERVICE			\$20,000.00	\$45,000.00		\$65,00
323	523			SCIENCE & DIAGNOSTICS			\$20,000.00			\$
326	524 526	200		FORMATION STIMULATION CONSULTING SERVICES/SUPERVISION			\$58,000.00	\$380,000.00 \$85,000.00		\$380,00 \$143,00
327 328	527 528			CONTRACT LABOR / SERVICES OTHER LABOR				\$75,000.00		\$75,00
329	529			OVERHEAD				\$40,000.00		\$40,00
330 331	530 531			WATER - FRESH FLUIDS & CHEMICALS			\$20,000.00 \$120,000.00	\$300,000.00 \$150,000.00		\$320,00 \$270,00
332	532			CORING & ANALYSIS						\$
333 334	533 534			COMMUNICATIONS BOP TESTING			\$8,000.00	\$10,000.00 \$10,000.00		\$18,00
335 336	535 536			CO2/NITROGEN FISHING TOOLS & SERVICES			\$15,000.00			\$15,00
337 338	537	1.		INSPECTIONS WIRELINE SERVICES			\$10,000.00			\$10,00
339	539			ENGINEERING & GEOLOGY - FIELD						5
340 341	540			ENGINEERING & GEOLOGY - OFFICE MULTISHOT & GYRO						5
342 343	543			RE-ENTRY SERVICES CAMPS & TRAILERS			\$15,000.00	\$30,000.00		\$
344	544			SAFETY EQUIPMENT & H2S	e aletta filmen		\$10,000.00	\$30,000.00		\$45,00 \$15,00
345 346	546			CONTINGENCY						\$
347 348	547 548	2.000		MISCELLANEOUS OUTSIDE OPERATED						\$
349	549			SAND						ş
350 351	550 551			SAND LOGISTICS VACUUM TRUCK				\$300,000.00		\$300,00
352	552 560			WATER - BRINE FACILITY TRUCKING						
	561 562			FACILITY VACUUM TRUCK						\$
	563			FACILITY CONSULTING SER /SUPERVISION FACILITY CONTRACT LABOR / SER.						
	564			FACILITY SURFACE RENTAL SIM-OPS						
			1 de la	TOTAL WELL IN	ANGIBLE COSTS		\$1,388,000.00	\$2,155,000.00	\$0.00	\$3,543,00
		404			IBLE COSTS		005 000 000			445.5
	1	401 402		CASING - CONDUCTOR CASING - SURFACE			\$25,000.00 \$25,000.00			\$25,00 \$25,00
		403 404	604	CASING - SALT STRING CASING - INTERMEDIATE		-	\$0.00 \$570,000.00			\$570,00
		405	605 606	CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT			\$468,000.00			\$468,00
		406	607	PRODUCTION TUBING						
		409		SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT			\$40.000.00			\$40,00
			610	FLOWLINES			\$10,000.00		\$100,000.00	\$100,00
		412	612	SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP						
				VALVES & FITTINGS INSTURMENTATION & ELECTRICAL					\$400,000.00	\$400,00
		117	615	RODS						\$
		417 420		TRUCKING RE-ENTRY EQUIPMENT						\$
		447		PRODUCTION EQUIPMENT MISCELLANEOUS					\$500,000.00	\$500,00
		447	648	OUTSIDE OPERATED						\$
			649	TANGIBLE EQUIP-ACQUISITIONS TOTAL TANG	IBLE COSTS		\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,00
				TOTAL ESTIMATED WELL COST			DRILLING	COMPLETIONS	FACILITIES	TOTAL

PREPARED BT:	Alex Bounand	Senior Operations Engineer	DATE: 1/19/2022	
OPERATOR APPROVAL:		711	-	
OPERATOR APPROVAL:	-1~	CEO or CFO	-	
PARTNER COMPANY NAME:	-		DATE:	
PARTNER APPROVAL:			-	
TITLE:			_	

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs.

		NO	VC)	1001 We Oklahoma	ION FOR EXPENDITURE ION FOR EXPENDITURE I Wilshire, Suite 206 City, Oklahoma 73116 05-286-4391				
ELL NA	LOCA			Otis Fee 07 231H	AFE TYPE	Development		AFE NUMBER		
	ELOCA			330' FSL, 330' FWL Sec. 7-23S-28E (FTP) 476' FNL, 945' FWL Sec, 18-23S-28E	FIELD	Wolfcamp B		PROPERTY NUMBER		
OTTON	HOLE	LOCATIO	N	100' FNL, 330' FWL Sec. 7-23S-28E	COUNTY	Eddy		DEPTH (TVD/TMD)	10065' / 15565'	
OJEC	T DESC	RIPTION		Drilling, Completion & Facilities costs for Novo 5K Wo	offcamp B horizontal	well.		STATE	NM	
	1007	0005							¥.	
IDC	ICC	TDC	TCC	DESCRIPTION O	F EXPENDITURE			COST ES		
REFIX 300	500	PREFIX 400	600	MARTIN DITAN	GIBLE COSTS		DRILLING	COMPLETIONS	FACILITIES	TOTAL
301	501			SURVEY/PERMITS/DAMAGES	GIBLE COSTS		\$25,000.00			\$25,000
302 303	502		818	LOCATION & ROAD RIG MOVE			\$67,500.00			\$67,500
304				DRILLING - FOOTAGE			\$40,000.00			\$40,000 \$0
305	505 506		-	DRILLING - DAYWORK COMPLETION/WORKOVER RIG			\$254,000.00	\$125,000.00		\$254,000 \$125,000
	507			COIL TUBING/SNUBBING UNIT				0120,000.00		\$0
309	508 509			SLICKLINE/SWABBING BITS			\$70,000.00			\$70,000
310 311	510 511			DIRECTIONAL SERVICES CASING CREW			\$90,000.00			\$90,000
312	512			TOOL & EQUIPMENT RENTAL			\$80,000.00 \$70,000.00	\$150,000.00		\$80,000
313 314	513	-		FUEL & POWER DIESEL - BASE FOR MUD			\$94,500.00 \$75,000.00	\$275,000.00		\$369,500 \$75,000
315	515			MUD LOGGING & GEOLOGIST						\$0
316 317	516 517			DISPOSAL, RESTORATION & BACKFILL TRUCKING			\$90,000.00 \$36,000.00	\$50,000.00		\$140,000
319	518 519			TESTING CEMENTING						S
320	520			PERFORATING			\$120,000.00	\$140,000.00		\$120,000
22	521 522			CASED HOLE LOGS DOWNHOLE TOOLS & SERVICE			\$20,000.00	\$45,000.00		\$65,000
323	523			SCIENCE & DIAGNOSTICS			\$20,000.00			\$0
326	524 526			FORMATION STIMULATION CONSULTING SERVICES/SUPERVISION			\$58,000.00	\$380,000.00 \$85,000.00		\$380,000
327 328	527 528			CONTRACT LABOR / SERVICES			400,000,00	\$75,000.00		\$75,00
328	528			OTHER LABOR OVERHEAD				\$40,000.00		\$40,000
330 331	530 531			WATER - FRESH FLUIDS & CHEMICALS			\$20,000.00	\$325,000.00		\$345,000
332	532			CORING & ANALYSIS			\$120,000.00	\$150,000.00		\$270,000
333 334	533 534		200	COMMUNICATIONS BOP TESTING			\$8,000.00	\$10,000.00 \$10,000.00		\$18,000
335	535			CO2/NITROGEN			\$15,000.00	\$10,000,00		\$15,000
336 337	536 537			FISHING TOOLS & SERVICES			\$10,000.00			\$10,000
338 339	539	1.5		WIRELINE SERVICES ENGINEERING & GEOLOGY - FIELD						\$0
340	540			ENGINEERING & GEOLOGY - OFFICE						\$0
341 342			-	MULTISHOT & GYRO RE-ENTRY SERVICES						\$(\$(
343	543	100		CAMPS & TRAILERS			\$15,000.00	\$30,000.00		\$45,000
344 345	544			SAFETY EQUIPMENT & H2S CONTINGENCY	-		\$10,000.00	\$5,000.00		\$15,000
346 347	546 547			INSURANCE MISCELLANEOUS						SI
348	548			OUTSIDE OPERATED						\$1 \$1
349 350	549 550	100		SAND SAND LOGISTICS				\$300,000.00		\$300,000
351 352	551 552			VACUUM TRUCK WATER - BRINE						S
	560			FACILITY TRUCKING						\$(\$(
	561 562			FACILITY VACUUM TRUCK FACILITY CONSULTING SER/SUPERVISION						5
	563			FACILITY CONTRACT LABOR / SER.						\$
	564			FACILITY SURFACE RENTAL SIM-OPS						5
				TOTAL WELL INT	TANGIBLE COSTS		\$1,388,000.00	\$2,195,000.00	\$0.00	\$3,583,00
_		104			BIBLE COSTS					
		401 402		CASING - CONDUCTOR CASING - SURFACE			\$25,000.00 \$25,000.00			\$25,00 \$25,00
		403	604	CASING - SALT STRING CASING - INTERNEDIATE						\$
	1	405	605	CASING - PRODUCTION / LINER			\$570,000.00 \$468,000.00			\$570,00 \$468,00
		406	606 607	SUBSURFACE EQUIPMENT PRODUCTION TUBING			_			\$
		100	608	SUBSURFACE PUMPING EQUIPMENT						\$
		409	610	FLOWLINES			\$40,000.00		\$100,000.00	\$40,00
	10-21	412	611	SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP						\$
	0.25	112	613	VALVES & FITTINGS					\$400,000.00	\$400,00
				INSTURMENTATION & ELECTRICAL RODS						\$
		417		TRUCKING						\$
		420	634	RE-ENTRY EQUIPMENT PRODUCTION EQUIPMENT					\$500,000.00	\$500,00
		447	647	MISCELLANEOUS OUTSIDE OPERATED						\$
		448	648 649	TANGIBLE EQUIP-ACQUISITIONS						\$
_				TOTAL TANG	SIBLE COSTS		\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,00
							DRILLING	COMPLETIONS	FACILITIES	TOTAL
				TOTAL ESTIMATED WELL COST			\$2,516,000.00	\$2,195,000.00	\$1,000,000.00	\$5,711,000

OPERATOR APPROVAL:	Tim palleorero		
PARTNER COMPANY NAME:		DATE:	
PARTNER APPROVAL:			
TITLE:			

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs.

4		10	VC		AUTHORIZATI 1001 West Oklahoma O	DRTHERN DELAWARE, LLC N FOR EXPENDITURE Wilshire, Suite 206 ty, Oklahoma 73116 i-286-4391				
ELL N/				Otis Fee 07 221H	AFE TYPE	Development		AFE NUMBER		
	LOCA			330' FSL, 1155' FWL Sec. 7-23S-28E (FTP)	FIELD			PROPERTY NUMBER		
	ELOCA	LOCATIC	N	476' FNL, 965' FWL Sec. 18-23S-28E 100' FNL, 1155' FWL Sec, 7-23S-28E	FORMATION	Wolfcamp A Eddy		DRILLING DAYS DEPTH (TVD/TMD)	9555' / 14855'	
110.	HIOLL	LUUAIIC		1 100 FNL, 1155 FWL Sec. 7-255-26E	leooni	LOOY		STATE	NM	
OJEC	T DESC	RIPTION		Driting, Completion & Facilities costs for Novo 5K Wo	fcamp A horizontal v	e11.				
	ACCT.	CODE		DESCRIPTION OF	EXPENDITURE			COSTES		
DC	ICC	TDC	TCC	Description of	EXPENDITORE			COSTES		
EFIX		PREFIX					DRILLING	COMPLETIONS	FACILITIES	TOTAL
300	500 501	400	600	WELL INTANG SURVEY/PERMITS/DAMAGES	IBLE COSTS					
302	501		520	LOCATION & ROAD		-	\$25,000.00 \$67,500.00			\$25,000
303			0.285	RIG MOVE			\$40,000.00			\$40,000
04 05	505	-		DRILLING - FOOTAGE DRILLING - DAYWORK			\$254,000.00			\$254,000
	506			COMPLETION/WORKOVER RIG			\$254,000.00	\$125,000.00		\$125,00
	507 508	100	-	COIL TUBING/SNUBBING UNIT SLICKLINE/SWABBING						\$
09	508			BITS			\$70,000.00			\$70,00
10	510			DIRECTIONAL SERVICES			\$90,000.00			\$90,00
11	511	1 2 2 4		CASING CREW TOOL & EQUIPMENT RENTAL			\$80,000.00	£150.000.00		\$80,00
12	512 513			FUEL & POWER			\$70,000.00 \$94,500.00	\$150,000.00 \$275,000.00		\$220,00
14				DIESEL - BASE FOR MUD			\$75,000.00			\$75,00
15	515 516			MUD LOGGING & GEOLOGIST DISPOSAL, RESTORATION & BACKFILL			\$90,000.00	\$50,000.00		\$140.00
17	517			TRUCKING			\$36,000.00	\$50,000.00		\$140,00 \$36,00
2.2	518			TESTING			2 1 The second s			\$
319 320	519 520		-	CEMENTING PERFORATING			\$120,000.00	\$140,000.00		\$120,00
081	521	-		CASED HOLE LOGS				\$140,000.00		\$140,00
22	522		1.83	DOWNHOLE TOOLS & SERVICE			\$20,000.00	\$45,000.00		\$65,00
23	523 524			SCIENCE & DIAGNOSTICS FORMATION STIMULATION				\$380,000.00		\$380,00
26	526	1		CONSULTING SERVICES/SUPERVISION			\$58,000.00	\$85,000.00		\$143,00
27	527			CONTRACT LABOR / SERVICES				\$75,000.00		\$75,00
28 29	528 529			OTHER LABOR OVERHEAD			-	\$40,000.00		\$40,00
330	530		1. 10-2	WATER - FRESH			\$20,000.00	\$325,000.00		\$345,00
331	531 532		6.23	FLUIDS & CHEMICALS CORING & ANALYSIS			\$120,000.00	\$150,000.00		\$270,00
332	532			COMMUNICATIONS			\$8,000.00	\$10,000.00		\$18,00
334	534			BOP TESTING				\$10,000.00		\$10,00
335	535 536			CO2/NITROGEN FISHING TOOLS & SERVICES			\$15,000.00			\$15,00
337	537	3		INSPECTIONS			\$10,000.00			\$10,00
338				WIRELINE SERVICES						S
339 340	539 540		-	ENGINEERING & GEOLOGY - FIELD ENGINEERING & GEOLOGY - OFFICE			-			\$
341				MULTISHOT & GYRO						ŝ
342	F 12			RE-ENTRY SERVICES			645 000 00			\$
343 344	543 544			CAMPS & TRAILERS SAFETY EQUIPMENT & H2S			\$15,000.00 \$10,000.00	\$30,000.00 \$5,000.00		\$45,00
345				CONTINGENCY						S
846 847	546 547			INSURANCE MISCELLANEOUS						\$
48	548			OUTSIDE OPERATED						s
49 50	549 550			SAND SAND LOGISTICS				£000.000.00		\$
51	551			VACUUM TRUCK				\$300,000.00		\$300,00
52	552			WATER - BRINE						\$
	560 561			FACILITY TRUCKING FACILITY VACUUM TRUCK						\$
	562			FACILITY CONSULTING SER/SUPERVISION						\$
	563			FACILITY CONTRACT LABOR / SER.						\$
	564	-		FACILITY SURFACE RENTAL SIM-OPS						\$
				TOTAL WELL INT.	ANGIBLE COSTS		\$1,388,000.00	\$2,195,000.00	\$0.00	\$3,583,00
		1.000	100	WELL TANG	BLE COSTS				i i	
	25.00	401		CASING - CONDUCTOR			\$25,000.00			\$25,00
	-	402 403		CASING - SURFACE CASING - SALT STRING			\$25,000.00			\$25,00
		403	604	CASING - SALT STRING CASING - INTERMEDIATE			\$0.00			\$570,00
	1	405	605	CASING - PRODUCTION / LINER			\$468,000.00			\$468,00
		406	606 607	SUBSURFACE EQUIPMENT PRODUCTION TUBING						5
			608	SUBSURFACE PUMPING EQUIPMENT						\$
	1	409	609	WELLHEAD EQUIPMENT			\$40,000.00			\$40,00
			610 611	FLOWLINES SURFACE PUMPING EQUIPMENT					\$100,000.00	\$100,00
		412	612	LINER HANGER & ASSOC EQUIP						S
	-		613	VALVES & FITTINGS					\$400,000.00	\$400,00
			614 615	INSTURMENTATION & ELECTRICAL RODS						\$
		417	617	TRUCKING						\$
		420	634	RE-ENTRY EQUIPMENT					\$500,000.00	\$500,00
		447	634 647	PRODUCTION EQUIPMENT MISCELLANEOUS						\$
		448	648	OUTSIDE OPERATED						\$
			649	TANGIBLE EQUIP-ACQUISITIONS	DI E COSTE		£1 400 000 00			\$
1000				TOTAL TANG	BLE COSTS		\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,00
_				TOTAL ESTIMATED WELL COST			DRILLING \$2,516,000.00	COMPLETIONS	FACILITIES	TOTAL
								\$2,195,000.00	\$1,000,000.00	\$5,711,00

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE: 1/19/2022
OPERATOR APPROVAL:		1	
OPERATOR APPROVAL:	- In par	CEO or CFO	
PARTNER COMPANY NAME:			DATE:
PARTNER APPROVAL:			
TITLE:			

		10	VC		AUTHORIZATI 1001 Wes Oklahoma	NORTHERN DELAWARE, L ON FOR EXPENDITURE I Wilshire, Suite 206 City, Oklahoma 73116 05-286-4391	LC			
WELL NAM	NE			Otis Fee 07 232H	AFE TYPE	Development		AFE NUNBER		
ATERAL SURFACE				330' FSL, 1650' FWL Sec. 7-23S-28E (FTP)	FIELD	Wolfcamp B		PROPERTY NUMBER		
BOTTOM-			N	476' FNL, 985' FWL Sec. 18-23S-28E 100' FNL, 1650' FWL Sec. 7-23S-28E	COUNTY	Eddy		DEPTH (TVD/TMD)	10095'/ 15495'	
									NM	
ROJECT	DESC	RIPTION		Drilling, Completion & Facilities costs for Novo 5K Wo	fcamp B horizontal v	veJ.				
	ACCT.			DESCRIPTION OF	EXPENDITURE			COST EST	IMATE	
IDC	ICC	TDC	TCC	All Andrews and a second			DRILLING	COMPLETIONS	FACILITIES	TOTAL
	500	400	600	WELL INTANG	BLE COSTS				THOLEHEO	
	501 502	-		SURVEY/PERMITS/DAMAGES			\$25,000.00 \$67,500.00			\$25,000.0 \$67,500.0
303				RIG MOVE			\$40,000.00			\$40,000.0
304 305	505			DRILLING - FOOTAGE DRILLING - DAYWORK			\$254,000.00			\$254,000.0
	506 507			COMPLETION/WORKOVER RIG				\$125,000.00		\$125,000.0
	508			COIL TUBING/SNUBBING UNIT SLICKLINE/SWABBING						\$0.0
	509 510		12	BITS DIRECTIONAL SERVICES			\$70,000.00			\$70,000.0
311	511			CASING CREW			\$90,000.00 \$80,000.00			\$90,000.0 \$80,000.0
	512 513			TOOL & EQUIPMENT RENTAL FUEL & POWER			\$70,000.00 \$94,500.00	\$150,000.00 \$275,000.00		\$220,000.0
314				DIESEL - BASE FOR MUD			\$75,000.00	\$215,000.00		\$369,500.0 \$75,000.0
	515 516			MUD LOGGING & GEOLOGIST DISPOSAL, RESTORATION & BACKFILL			\$90,000.00	\$50,000.00		\$0.0 \$140,000.0
317	517			TRUCKING			\$36,000.00	\$30,000,00		\$36,000.0
	518 519			TESTING CEMENTING			\$120,000.00			\$0.0
320	520			PERFORATING				\$140,000.00		\$140,000.0
	521 522			CASED HOLE LOGS DOWNHOLE TOOLS & SERVICE			\$20,000.00	\$45,000.00		\$0.0
	523			SCIENCE & DIAGNOSTICS FORMATION STIMULATION						\$0.0
326	524 526			CONSULTING SERVICES/SUPERVISION			\$58,000.00	\$380,000.00 \$85,000.00		\$380,000.0
	527 528			CONTRACT LABOR / SERVICES OTHER LABOR				\$75,000.00		\$75,000.0 \$40.000.0
329	529			OVERHEAD				\$40,000.00		\$0.0
	530 531			WATER - FRESH FLUIDS & CHEMICALS			\$20,000.00	\$325,000.00 \$150,000.00		\$345,000.0 \$270,000.0
332	532			CORING & ANALYSIS						\$0.0
	533 534			COMMUNICATIONS BOP TESTING			\$8,000.00	\$10,000.00 \$10,000.00		\$18,000.0
335	535		1000	CO2/NITROGEN			\$15,000.00	\$10,000,00		\$15,000.0
	536 537		-	FISHING TOOLS & SERVICES			\$10,000.00			\$0.0
338	539			WIRELINE SERVICES ENGINEERING & GEOLOGY - FIELD						\$0.0
339 340	540			ENGINEERING & GEOLOGY - FIELD ENGINEERING & GEOLOGY - OFFICE						\$0.0
341 342				MULTISHOT & GYRO RE-ENTRY SERVICES						\$0.0
343	543			CAMPS & TRAILERS			\$15,000.00	\$30,000.00		\$0.0
344 345	544			SAFETY EQUIPMENT & H2S CONTINGENCY			\$10,000.00	\$5,000.00		\$15,000.0
346	546	1000	6.15	INSURANCE						\$0.0
	547 548			MISCELLANEOUS OUTSIDE OPERATED			_			\$0.0 \$0.0
	549 550			SAND SAND LOGISTICS						\$0.0
	551			VACUUM TRUCK				\$300,000.00		\$300,000.0
352	552 560		_	WATER - BRINE FACILITY TRUCKING						\$0.0 \$0.0
	561		155	FACILITY VACUUM TRUCK						\$0.0
	562 563			FACILITY CONSULTING SER/SUPERVISION FACILITY CONTRACT LABOR / SER,						\$0.0 \$0.0
	564			FACILITY SURFACE RENTAL						\$0.0
2.00	100.00			SIM-OPS TOTAL WELL INT.	ANGIBLE COSTS		\$1,388,000.00	\$2,195,000.00	\$0.00	\$3,583,000.0
	(1,01)			WELL TANGI						
		401		CASING - CONDUCTOR			\$25,000.00			\$25,000.0
		402 403		CASING - SURFACE CASING - SALT STRING			\$25,000.00			\$25,000.0
		404	604	CASING - INTERMEDIATE			\$570,000.00			\$570,000.0
		405	605 606	CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT			\$468,000.00			\$468,000.0
			607	PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT						\$0.0
		409	609	WELLHEAD EQUIPMENT			\$40,000.00			\$0.0
				FLOWLINES SURFACE PUMPING EQUIPMENT					\$100,000.00	\$100,000.0 \$0.0
		412	612	LINER HANGER & ASSOC EQUIP						\$0.0
				VALVES & FITTINGS INSTURMENTATION & ELECTRICAL					\$400,000.00	\$400,000.0
		417	615 617	RODS TRUCKING						\$0.0
		417 420		RE-ENTRY EQUIPMENT						\$0.0
		447	634 647	PRODUCTION EQUIPMENT MISCELLANEOUS					\$500,000.00	\$500,000.00
		447	648	OUTSIDE OPERATED						\$0.0
			649	TANGIBLE EQUIP-ACQUISITIONS TOTAL TANG	BLE COSTS		\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,000.00
	_			I IOTAL TANG			DRILLING	COMPLETIONS	FACILITIES	\$2,128,000.00
							BRICEING	00111110113	TAGETTED	IVIAL
				TOTAL ESTIMATED WELL COST			\$2,516,000.00	\$2,195,000.00	\$1,000,000.00	\$5,711,000.00

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE: 1/19/2022	
OPERATOR APPROVAL: OPERATOR APPROVAL:	Ti	Jalleo or CFO	_	
PARTNER COMPANY NAME:			DATE:	
PARTNER APPROVAL:			_	
TITLE:			_	

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs.

Received by OCD: 4/5/2022 7:55:23 PM

v		NO	VC		AUTHORIZATIO 1001 West Oklahoma C	ORTHERN DELAWARE, LL DN FOR EXPENDITURE Wilshire, Sulte 206 ity, Oklahoma 73116 5-286-4391	c			
VELL N				Otis Fee 07 212H	AFE TYPE	Development		AFE NUMBER		
	E LOCA			330' FSL, 1980' FWL Sec. 7-23S-28E (FTP) 476' FNL, 1005' FWL Sec. 18-23S-28E	FIELD	Wolfcamp XY		PROPERTY NUMBER		
OTTO	A-HOLE	LOCATIO	N	100' FNL, 1980' FWL Sec. 7-23S-28E	COUNTY	Eddy	1	DEPTH (TVD/TMD)	9390' /14790'	
ROJEC	JECT DESCRIPTION Drilling, Completion & Facilities costs for Novo 5K Wolf				Camp XY horizontal	well		STATE	NM	
					FEXPENDITURE			COST EST	MATC	
IDC	ICC	TDC	TCC	DESCRIPTION	EXPENDITURE	C. The Course				
PREFIX 300	500	PREFIX 400	600	WELL INTANG	BIBLE COSTS		DRILLING	COMPLETIONS	FACILITIES	TOTAL
301 302	501 502			SURVEY/PERMITS/DAMAGES			\$25,000.00			\$25,000.0
303	502			RIG MOVE			\$67,500.00 \$40,000.00			\$67,500.0
304 305	505	6-18-1		DRILLING - FOOTAGE DRILLING - DAYWORK			\$254,000.00			\$254,000.0
	506 507			COMPLETION/WORKOVER RIG COIL TUBING/SNUBBING UNIT				\$125,000.00		\$125,000.
	508			SLICKLINE/SWABBING						\$0.0 \$0.0
309 310	509 510			BITS DIRECTIONAL SERVICES			\$70,000.00 \$90,000.00			\$70,000.0
311 312	511 512			CASING CREW TOOL & EQUIPMENT RENTAL			\$80,000.00 \$70,000.00	\$150,000.00		\$80,000.
313	513			FUEL & POWER			\$94,500.00	\$275,000.00		\$220,000.0 \$369,500.0
314 315	515			DIESEL - BASE FOR MUD MUD LOGGING & GEOLOGIST			\$75,000.00			\$75,000.0
316 317	516 517			DISPOSAL, RESTORATION & BACKFILL TRUCKING			\$90,000.00	\$50,000.00		\$140,000.
	518			TESTING			\$36,000.00			\$36,000.
319 320	519 520		1.00	CEMENTING PERFORATING			\$120,000.00	\$125,000.00		\$120,000.
322	521 522			CASED HOLE LOGS DOWNHOLE TOOLS & SERVICE			\$20,000.00	\$45,000.00		\$65,000.0
323	523			SCIENCE & DIAGNOSTICS			\$20,000.00			\$0.
326	524 526	5		FORMATION STIMULATION CONSULTING SERVICES/SUPERVISION			\$58,000.00	\$380,000.00 \$85,000.00		\$380,000.
327 328	527 528			CONTRACT LABOR / SERVICES OTHER LABOR				\$75,000.00 \$40,000.00		\$75,000. \$40,000.
329	529			OVERHEAD						\$0.
330 331	530 531			WATER - FRESH FLUIDS & CHEMICALS			\$20,000.00 \$120,000.00	\$300,000.00 \$150,000.00		\$320,000.
332 333	532 533			CORING & ANALYSIS COMMUNICATIONS			\$8,000.00	\$10,000.00		\$0.0 \$18,000.0
334	534	5.00		BOP TESTING				\$10,000.00		\$10,000.0
335 336	535 536			CO2/NITROGEN FISHING TOOLS & SERVICES			\$15,000.00			\$15,000.0
337 338	537			INSPECTIONS WIRELINE SERVICES			\$10,000.00			\$10,000.0
339	539		2.13	ENGINEERING & GEOLOGY - FIELD						\$0.0
340 341	540			ENGINEERING & GEOLOGY - OFFICE MULTISHOT & GYRO						\$0. \$0.
342 343	543			RE-ENTRY SERVICES CAMPS & TRAILERS			\$15,000.00	\$30,000.00		\$0. \$45,000.
344	544			SAFETY EQUIPMENT & H2S			\$10,000.00	\$5,000.00		\$15,000.
345 346	546			CONTINGENCY						\$0. \$0.
347 348	547 548			MISCELLANEOUS OUTSIDE OPERATED						\$0. \$0.
349 350	549 550			SAND SAND LOGISTICS			_	£200.000.00		\$0.
351	551			VACUUM TRUCK				\$300,000.00		\$300,000. \$0.
352	552 560			WATER - BRINE FACILITY TRUCKING			_			\$0.
	561 562			FACILITY VACUUM TRUCK FACILITY CONSULTING SER/SUPERVISION						\$0. \$0.
	563			FACILITY CONTRACT LABOR / SER.						\$0.
	564	-		FACILITY SURFACE RENTAL SIM-OPS						\$0.
				TOTAL WELL INT	ANGIBLE COSTS		\$1,388,000.00	\$2,155,000.00	\$0.00	\$3,543,000.
		401		WELL TANG CASING - CONDUCTOR	IBLE COSTS		\$25,000.00			\$25,000.0
		402		CASING - SURFACE			\$25,000.00			\$25,000.
		403 404	604	CASING - SALT STRING CASING - INTERMEDIATE			\$0.00 \$570,000.00			\$0. \$570,000.
	-	405 406	605 606	CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT			\$468,000.00			\$468,000. \$0.
			607	PRODUCTION TUBING						\$0.
		409	608 609	SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT			\$40,000.00			\$0. \$40,000.
			610 611	FLOWLINES SURFACE PUMPING EQUIPMENT					\$100,000.00	\$100,000. \$0.
		412	612	LINER HANGER & ASSOC EQUIP					6100.000.00	\$0.
1		1000	613 614	VALVES & FITTINGS INSTURMENTATION & ELECTRICAL					\$400,000.00	\$400,000.
200		417	615 617	RODS TRUCKING						\$0. \$0.
	1000	420		RE-ENTRY EQUIPMENT					£500.000.00	\$0.
		447	634 647	PRODUCTION EQUIPMENT MISCELLANEOUS					\$500,000.00	\$500,000.
		448	648 649	OUTSIDE OPERATED TANGIBLE EQUIP-ACQUISITIONS						\$0. \$0.
	5.00			TOTAL TANG	BIBLE COSTS		\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,000.
				TOTAL ESTIMATED WELL COST			DRILLING \$2,516,000.00	COMPLETIONS \$2,155,000.00	FACILITIES \$1,000,000.00	TOTAL \$5,671,000.0

PREPARED BY:	Alex Bourland	Senior Operations Engineer	DATE: 1/19/2022	
OPERATOR APPROVAL:	7.	211-		
OPERATOR APPROVAL:	1~	CEO or CFO	_	
PARTNER COMPANY NAME:			DATE:	
DADTNED ADDDOVAL				

PARTNER APPROV

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the extual costs.

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Pooled Parties – Communication Summary

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38.80% WI Marathon Oil Permian LLC	2/8 – Present: Emails and phone calls with Landman to discuss various potential deals Marathon and Novo are currently negotiating JOA (Novo as operator)
0.24% WI Diane Carrasco	2/8 – Present: Emails and phone calls with Diane. Novo offered to buy/lease minerals
0.24% WI Connie Hernandez	2/8 – Present: Connie communicated through her sister, Diane
0.30% WI Slaton Resources II, LLC	2/8: Mailed offers to buy/lease <i>minerals</i>3/22: Email correspondence with President
0.60% WI Esther Gomez	2/8: Mailed offers to buy/lease minerals4/4: Phone call and email correspondence with Esther
0.30% WI Mary Lou Hernandez	2/8 – Present: Mary Lou communicated through her sister, Esther
0.30% WI Margaret Carrasco	2/8 – Present: Margaret communicated through her sister, Esther
0.49% WI MCM Permian, LLC	2/4 – 3/7: Emails with MCM's Agent
0.30% WI Hope Morningstar	2/8: Mailed offers to buy/lease <i>minerals</i>3/2 - Present: Called phone numbers from LexisNexis; no response
0.60% WI NimTex Energy, LLC	2/8: Mailed offers to buy/lease <i>minerals</i>3/1: Email correspondence with owner
1.12% WI Heirs of Elias Montoya	2/8: Mailed offers to buy/lease minerals 2/17 – Present: Phone calls with several members of the Montoya family

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A4 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

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

APPLICATION NOVO OIL & GAS NORTHERN DELAWARE, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 22615

AFFIDAVIT OF MICHAEL HALE IN SUPPORT OF CASE NO. 22615

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

1. My name is Michael Hale. I am a geologist and Vice President of Exploration for Novo Oil & Gas Northern Delaware, LLC ("Novo").

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 application filed by Novo in this case, and I have conducted a geologic study of the lands in the subject areas.

4. In this case, Novo is targeting the Wolfcamp formation, including the Wolfcamp

XY, A, and B.

5. Novo Exhibit B-1 is an execution plan for the Turks Fee 07 unit. With reference to the map legend, the exhibit shows the proposed horizontal spacing unit and the paths of the wellbores for the proposed Turks Fee 07 211H well, Turks Fee 07 231H well, Turks Fee 07 221H well, Turks Fee 07 232H well, and Turks Fee 07 212H well, with the surface hole and bottom hole locations. Nearby producing wells in the Wolfcamp are also marked.

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6. **Novo Exhibit B-2** is a structure map that I prepared for the top of the Wolfcamp and is representative of the structure for both the Wolfcamp XY and A intervals. The contour interval is 20 feet. This structure map shows the Wolfcamp XY and A dipping gently 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. Novo Exhibits B-3 is another structure map that I prepared but this time for the top of the Wolfcamp B Pay. The contour interval is 40 feet. This structure map shows the Wolfcamp also dipping gently to the east. The structure appears consistent across the proposed wellbore paths. Once again, I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

8. **Novo Exhibit B-4** is a stratigraphic cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from the three representative wells denoted A to A' on the inset cross-section map. These three wells from A to A' are representative of the geology in the area.

9. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The **Turks Fee 07 211H well**, **Turks Fee 07 212H well**, and **Turks Fee 07 221H well** are targeting the Wolfcamp XY and A, and the target interval is marked. The **Turks Fee 07 231H well** and **Turks Fee 07 232H well** are targeting the Wolfcamp B, and the target interval is marked. The logs in the cross-section demonstrate that both target intervals, within the Wolfcamp, are consistent in thickness, across the entire proposed spacing unit.

10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area.

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11. In my opinion, the tracts comprising the proposed spacing unit will be productive and contribute more-or-less equally to production from the wellbores.

12. In my opinion, the granting of Novo's application in this case will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

13. **Novo Exhibits B-1 through B-4** were either prepared by me or compiled under my direction and supervision.

MICHAEL HALE

COUNTY OF OKLAHOMA

SUBSCRIBED and SWORN to before me this _____ day of April 2022 by

NOTARY PUBLIC

Michael Hale.



My Commission Expires: 5/22/24

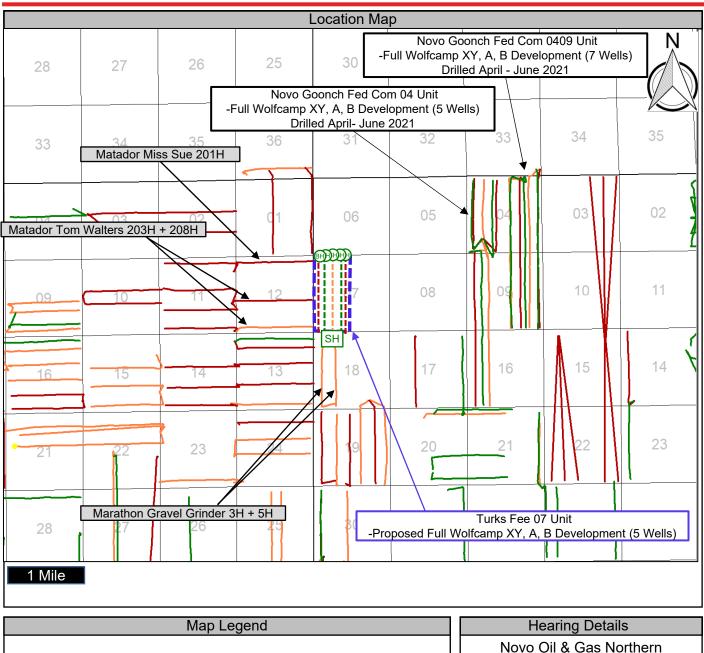
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Turks Fee 07 Execution Plan

Wolfcamp A, XY and B Locations, Sections 7-23S-28E





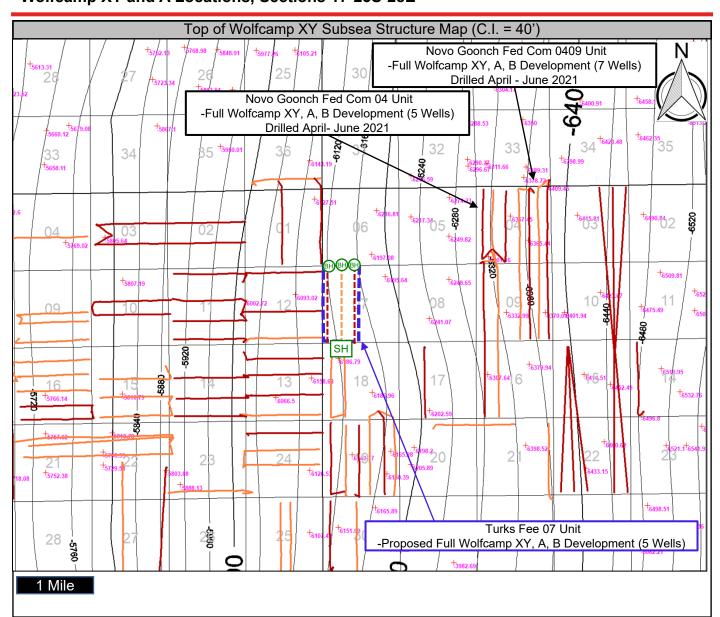
Delaware, LLC SH Surface Hole Location Spacing Unit (316.8 ac.) Novo Proposed Docket Number: ill Horizontal Locations Case Number: Wolfcamp XY Producer (BH) **Bottom Hole Location** Date: Wolfcamp A Producer Exhibit Number: Wolfcamp B Producer

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), March 30, 2022

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B1 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

Turks Fee 07 Top of Wolfcamp Structure Map Wolfcamp XY and A Locations, Sections 17-23S-28E





Map Legend Wolfcamp XY Producer Spacing Unit (316.8 ac.) Wolfcamp A Producer SH Surface Hole Location н Datum value Novo Horizontal Location н Date: i1 Top Wolfcamp Subsea (вн) **Bottom Hole Location** Structure Contour line - interval 20'

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), March 30, 2022

Hearing Details

Novo Oil & Gas Northern Delaware, LLC

Docket Number:

Case Number:

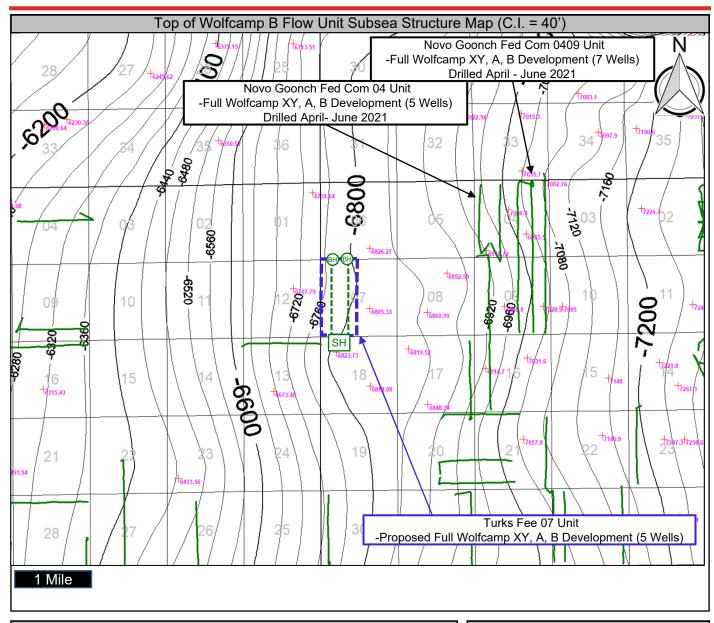
Exhibit Number:

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B2 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

Turks Fee 07 Top of Wolfcamp B Flow Unit Structure Map



Wolfcamp B Locations, Sections 17-23S-28E



Map Legend **Hearing Details** Novo Oil & Gas Northern Wolfcamp B Producer Delaware, LLC Spacing Unit (316.8 ac.) Docket Number: Datum value SH Surface Hole Location Case Number: Top Wolfcamp B Flow Novo Horizontal Location Unit Subsea Structure Date: Contour line - interval 40' Exhibit Number: **Bottom Hole Location** (вн)

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), March 30, 2022

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B3 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

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Turks Fee 07 Wolfcamp Stratigraphic Cross Section Wolfcamp XY, A, and B Proposed Locations, Sections 7-23S-28E



Wolfcamp Stratigraphic Cross Section (Ft) - Top of Wolfcamp B (WFMPB) Datum Α A' OCCIDENTAL PETROLEUM VILLA B COM 001 TWP: 23 S - Range: 28 E - Sec. 8 CHI ENERGY BIRD COM 001 TWP: 23 S - Range: 27 E -MARATHON OIL CARRASCO 6 COM 001 TWP: 23 S - Range: 28 E - Sec. 6 Sec. 12 Gamma TVD Res Por Gamma TVD Res Por Gamma TVD Res Porosity NPHILS Porosity NPHILS GR gAPI 200 SP(N/A) GR gAPI 200 SP(N/A) Dept GR gAPI 200 SP(N/A) dec HOB(N/A 100 CAUUN/AL CALL T(N/A 16 R_Carbonate Shadii EF(N/A) Gad 80 90(твзо BSC 9000 900 Third Bone Spring Sand 9100 20 Wolfcamp 9300 XY Target 9400 9500 Wolfcamp A Target 9600 70 9700 ~300 Anticipated Wolfcamp B Shale frac barrier Wolfcamp B Pay Target

	Cross Section Map			lap		Cross Section Legend]		
27	26	25	30	29	28	27	Spacing Unit (316.8 ac.)		
34	35	36	31	32	33	34	Formation Name		
03	02	01	06	05	04	03	Formation Targets	Neve Oil & Cas Northears Delaware	
10	11	A	Q	08 A 3	09	10	Bounding Strata	Novo Oil & Gas Northern Delaware, LLC	
15	14	13	18	17	16	15	Distance Between	Docket Number:	
22	23	24	19	20	21	22	Targets	Case Number:	
27	26	25	30	29	28	27 N	Correlation Top Formation Name	Date: Exhibit Number:	
1 Mile						\bigcirc	A Cross Section Line A'		

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), March 30, 2022

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B4 Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 22615

AFFIDAVIT

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

Julia Broggi, 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 Application has been provided under the notice letters and proof of receipts attached hereto.

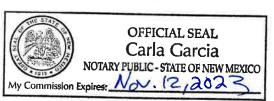


SUBSCRIBED AND SWORN to before me this 4th day of April, 2022 by Julia Broggi.

Notary Public

My Commission

Expires: Nov. 12,20



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615



Michael H. Feldewert Partner Phone (505) 988-4421 mfeldewert@hollandhart.com

March 18, 2022

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Otis Fee 211H, 231H, 221H, 232H and 212H 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 April 7, 2022, and the status of the hearing can be monitored through the Division's website at <u>http://www.emnrd.state.nm.us/ocd/</u>.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

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 challenging the matter at a later date.

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 Brandon Patrick at (405) 286-4197 or bpatrick@novoog.com.

Sincerely,

Tichal & Fillevers

Michael H. Feldewert ATTORNEY FOR NOVO OIL & GAS NORTHERN DELAWARE, LLC

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska		Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

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Novo - Turks (Formerly Otis Fee) Case No 22615 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item arrived at our COPPELL TX DISTRIBUTION CENTER
						destination facility on March 31, 2022 at 9:42 am. The item is
9414811898765841876191	Accelerate Resources Operating, LLC	5949 Sherry Ln Ste 1060	Dallas	ТХ	75225-8112	currently in transit to the destination.
						Your item was delivered to an individual at the address at 10:16 am
9414811898765841876399	Hope Morningstar	7821 Seward Ave	Cincinnati	ОН	45231-3526	on March 24, 2022 in CINCINNATI, OH 45231.
						We attempted to deliver your package at 1:05 pm on March 22, 2022
						in CARLSBAD, NM 88220 but could not access the delivery location.
9414811898765841876344	Margaret Carrasco	2409 Washington St	Carlsbad	NM	88220-3350	We will redeliver on the next business day.
						Your item was delivered to an individual at the address at 4:30 pm of
9414811898765841876382	Mary Lou Hernandez	1411 W Fox St	Carlsbad	NM	88220-3740	March 22, 2022 in CARLSBAD, NM 88220.
						Your item was delivered to an individual at the address at 5:03 pm or
9414811898765841876337	Esther Gomez Hernandez	1509 W Greene St	Carlsbad	NM	88220-3747	March 22, 2022 in CARLSBAD, NM 88220.
						Your item was delivered to an individual at the address at 4:27 pm or
9414811898765841876375	Clide Oil Corporation	1714 Shelborn Dr	Allen	тх	75002-5342	March 22, 2022 in ALLEN, TX 75002.
						Your item was picked up at the post office at 1:30 pm on March 22,
9414811898765841876016	NimTex Energy LLC	PO Box 999	Farwell	тх	79325-0999	2022 in FARWELL, TX 79325.
						Your item was picked up at the post office at 3:39 pm on March 24,
9414811898765841876061	Diane Montoya Carrasco	3414 Grandi Rd	Carlsbad	NM	88220-8942	2022 in CARLSBAD, NM 88220.
						This is a reminder to arrange for redelivery of your item or your item
9414811898765841876023	Ramona Venegas Montova	2301 Sage St	Carlsbad	NM	88220-6151	will be returned to sender.
						This is a reminder to arrange for redelivery of your item or your item
9414811898765841876009	Esvaldo Montoya a.k.a. Osvaldo Montoya	27 Road 5591	Farmington	NM	87401-1315	will be returned to sender.
						This is a reminder to arrange for redelivery of your item or your item
9414811898765841876092	Freddie Montova	27 Road 5591	Farmington	NM	87401-1315	will be returned to sender.
						Your package will arrive later than expected, but is still on its way. It
9414811898765841876146	Fasken Land and Minerals Limited	6101 Holiday Hill Rd	Midland	тх	79707-1631	currently in transit to the next facility.
						This is a reminder to arrange for redelivery of your item or your item
9414811898765841876085	Joe Montova	406 Soper St	Carlsbad	NM	88220-6278	will be returned to sender.
						This is a reminder to arrange for redelivery of your item or your item
9414811898765841876030	Julian Montoya	2301 Sage St	Carlsbad	NM	88220-6151	will be returned to sender.
111011000100011070000			Carlobad		00110 0101	Your item was delivered to an individual at the address at 1:20 pm or
9414811898765841876078	Baul Montova	212 N Mesquite St	Carlsbad	NM	88220-4925	March 22, 2022 in CARLSBAD, NM 88220.
			curisbuu		00220 1323	This is a reminder to arrange for redelivery of your item or your item
9414811898765841876412	Albert Montova	910 Alvarado St	Carlsbad	NM	88220-4876	will be returned to sender.
9414011090709041070412		SIO AIVAIDAO ST	Caribbaa		00220 4070	Your item was delivered at 2:45 pm on March 23, 2022 in SANTA
9414811898765841876450	Elias Montova, Ir	PO Box 389	Santa Clara	NM	88026-0389	CLARA, NM 88026.
7414011050705041070450		10 00x 303			00020-0305	Your item arrived at the SANTA FE, NM 87504 post office at 7:08 am
9414811898765841876429	Gilbort Montova	128 Beaver Tail Road	Carlsbad	NM	88220	on March 29, 2022 and is ready for pickup.
9414811898703841870429			Carisbau	INIVI	88220	Your package will arrive later than expected, but is still on its way. It
9414811898765841876184	Marathan Oil Pormian 110	555 San Felipe Street	Houston	тх	77056	currently in transit to the next facility.
9414811898703841870184		555 San Tenpe Street	nouston	17	77050	Your item was delivered at 9:45 am on March 22, 2022 in HOUSTON,
9414811898765841876139	Struker Energy LLC	PO Box 53448	Houston	тх	77052-3448	
7414011070/038418/0139	SUYNEI EHEIBY, LLC	FU DUX 33440	nouston	17	77052-5448	
244 404 40007050 440704 77		100 NI Deat Oals La Cha 405	Lauratan	TV	77024 7702	Your package will arrive later than expected, but is still on its way. It
9414811898765841876177	Mineral Warehouse no 1, LLC	109 N Post Oak Ln Ste 405	Houston	ТХ	//024-//92	currently in transit to the next facility.
A4 404 40007050 44 070040	Fetete of Dishoul V Month and the state	2414 Crandi Dil	Caulakad		00000 00 40	Your item was picked up at the post office at 3:39 pm on March 24,
9414811898765841876313	Estate of Richard V. Montoya deceased c/o Dia	3414 Grandi Kd	Carlsbad	NM	88220-8942	2022 in CARLSBAD, NM 88220.

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Received by OCD: 4/5/2022 7:55:23 PM

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Novo - Turks (Formerly Otis Fee) Case No 22615 Postal Delivery Report

						Your item was delivered to an individual at the address at 3:16 pm on
9414811898765841876351	Estate of Richard V. Montoya deceasedc/o Dor	614 N 1st St	Carlsbad	NM	88220-4284	March 22, 2022 in CARLSBAD, NM 88220.
						This is a reminder to arrange for redelivery of your item or your item
9414811898765841876368	Connie M. Hernandez	3528 Grandi Rd	Carlsbad	NM	88220-8922	will be returned to sender.
						Your item was delivered at 12:42 pm on March 28, 2022 in MIDLAND,
9414811898765841876320	MCM Permian, LLC	PO Box 1540	Midland	ТΧ	79702-1540	TX 79701.

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005180935 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 in editions dated as follows:

03/22/2022

ahon 2

Legal Clerk

Subscribed and sworn before me this March 22, 2022:

State of WI, County of Brown NOTARY PUBLIC

1-7-55

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005180935 PO #: Case No. 22615 # of Affidavits1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Novo Oil & Gas, LLC Hearing Date: April 07, 2022 Case No. 22615

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 Re-sources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearnereby gives notice that the Division will hold public hear-ings before a hearing examiner on the following case. Dur-ing the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be con-ducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, April 7, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instruc-tions posted below. The docket may be viewed at https://www.april.com/ theorem.com/ theorem.com/ are the second secon a.m. to participate in the electronic nearing, see the instruc-tions posted below. The docket may be viewed at https://w ww.emnrd.nm.gov/ocd/hearing-info/ or obtained from Mar-lene Salvidrez, at Marlene.Salvidrez@state.nm.us. Docu-ments filed in the case may be viewed at https://ocdimage. mrd.nm.gov/maging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or construct a stand or naticipate in a beging contact. Marsign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Mar-lene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than March 27, 2022.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID =e7a826ddc565491e5572809154e64648d Event number: 2483 816 0092 Event password: mJKbXvy44W2

Join by video: 24838160092@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free Access code: 2483 816 0092

> 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 interest owners subject to pooling proceedings, in-cluding: Accelerate Resources Operating, LLC; Fasken Land and Minerals Limited; Marathon Oil Permian, LLC; Stryker Energy, LLC; Mineral Warehouse #1, LLC; Estate of Richard V. Montoya (deceased), his heirs and devisees; Connie M. Hernandez, her heirs and devisees; MCM Permian, LLC; Hope Morningstar, her heirs and devisees; Margaret Carrasco, her heirs and devisees; Mary Lou Hernandez, her heirs and devisees; Esther Gomez Hernandez, her heirs and devisees; Clide Oil Corporation; NimTex Energy LLC; Diane Montoya Carrasco, her heirs and devisees; Ramona Venegas Montoya, her heirs and devisees; Esvaldo Montoya a.k.a. Osvaldo Montoya, his heirs and devisees; Freddie Montoya, his heirs and devisees; Joe Montoya, his heirs and devisees; Julian Montoya, Jr., his heirs and devisees; and Ontoya, his heirs and devisees.

Case No. 22615: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest in the Wolfcamp forma-tion [Purple Sage; Wolfcamp (Gas) (98220)] underlying a standard 316.80-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the following proposed wells, all of which will be horizontally drilled from a surface loca-tion in the NW/4 NW/4 (Unit D) of adjacent Section 18:

Otis Fee 07 211H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
Otis Fee 07 231H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
Otis Fee 07 221H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
Otis Fee 07 232H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
Otis Fee 07 232H well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7; and

• Otis Fee 07 212H well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7.

Also, to be considered will be the cost of drilling and com-pleting the wells and the allocation of the cost thereof, ac-tual operating costs and charges for supervision, designa-tion of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is lo-cated approximately 2 miles northwest of Loving, New Mexico. #5180935, Current Argus, March 22, 2022

Released to Imaging: 4/6/2022 1:13:13 PM