

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING NOVEMBER 14, 2019**

CASE NOS. 20888 & 20889

OVATION 133-134H WELL
OVATION 136H WELL
OVATION 213-214HH WELL
OVATION 216H WELL
OVATION 223-224H WELL
OVATION 226H WELL
OVATION 233-234H WELL
OVATION 236H WELL

EDDY COUNTY, NEW MEXICO



NOVO

**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 NOS. 20888 & 20889

**AFFIDAVIT OF BRANDON PATRICK
IN SUPPORT OF CASE NOS. 20888 AND 20889**

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

1. My name is Brandon Patrick. I work for Novo Oil & Gas Northern Delaware, LLC (“Novo”) as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

CASE NO. 20888

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 Bone Spring formation underlying a standard 634.72-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 13, Township 23 South, Range 28 East, and the S/2 of Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

6. Novo seeks to dedicate the above horizontal spacing unit to the following proposed wells:

- The **Ovation Fed Com 1318 #133H Well** (API No. pending) and the **Ovation Fed Com 1318 #134H Well** (API No. pending), both of which will be horizontally drilled from a common surface location in the NE/4 SE/4 (Unit I) of Section 14, T23S, R28E, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 18.
- The **Ovation Fed Com 1318 #136H Well** (API No. pending) to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 14, T23S, R28E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 18.

7. Novo has prepared draft Form C-102s to file with the Division for these proposed wells that are attached hereto as **Novo Exhibit A-1**, **Novo Exhibit A-2**, and **Novo Exhibit A-3**.

8. It is Novo's understanding that the Division's district office has placed these wells in the Culebra Bluff, Bone Spring, South Pool (Pool Code 15011).

9. The completed interval for the Ovation Fed Com 1318 #133H Well will remain within 330 feet of the N/2 S/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of the S/2 of Sections 13 and 18. Incorporating the proximity tracts, the completed intervals for these proposed wells will comply with the Division's setback requirements.

10. There are no depth severances in the Bone Spring formation underlying this acreage.

11. **Novo Exhibit A-4** identifies the tracts of land comprising the proposed horizontal spacing unit that includes both fee and federal lands. This exhibit shows the interest owners that Novo seeks to pool and provides a unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit. Novo is seeking to pool both working interest owners and overriding royalty interest owners identified on Exhibit A-4.

12. There are no unleased interests in this acreage.

13. A copy of the well proposal letter for the wells, along with the corresponding AFEs, is attached as **Novo Exhibit A-5**. The costs reflected in the AFEs are consistent with what Novo and other operators have incurred for drilling similar horizontal wells in the area.

CASE NO. 20889

14. 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.

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

16. Novo is seeking an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard underlying a standard 634.72-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 13, Township 23 South, Range 28 East, and the S/2 of Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

17. Novo seeks to dedicate the above horizontal spacing unit to the following proposed wells:

- The **Ovation Fed Com 1318 #214H Well** (API No. pending), the **Ovation Fed Com 1318 #223H Well** (API No. pending), the **Ovation Fed Com 1318 #224H Well** (API No. pending), the **Ovation Fed Com 1318 #233H**

Well (API No. pending), and the **Ovation Fed Com 1318 #234H Well** (API No. pending), each of which will be horizontally drilled from a common surface location in the SE/4 SE/4 (Unit P) of Section 14, T23S, R28E, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 18.

- The **Ovation Fed Com 1318 #213H Well** (API No. pending), the **Ovation Fed Com 1318 #216H Well** (API No. pending), the **Ovation Fed Com 1318 #226H Well** (API No. pending), and the **Ovation Fed Com 1318 #236H Well** (API No. pending), each of which will be horizontally drilled from a common surface location in the SE/4SE/4 (Unit P) of Section 14, to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 18.

18. Novo has prepared draft Form C-102s to file with the Division for these proposed wells that are attached hereto as **Novo Exhibit A-6**, **Novo Exhibit A-7**, and **Novo Exhibit A-8**.

19. It is Novo's understanding these wells are located in the Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220).

20. The completed intervals of these wells will comply with the setbacks of the Special Rules for the Purple Sage Wolfcamp Pool.

21. There are no depth severances in the Wolfcamp formation underlying this acreage.

22. **Novo Exhibit A-9** identifies the tracts of land comprising the proposed horizontal spacing unit that includes both fee and federal lands. This exhibit shows the interest owners that Novo seeks to pool and provides a unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit. Novo is seeking to pool both working interest owners and overriding royalty interest owners identified on Exhibit A-9.

23. There are no unleased interests in this acreage.

24. A copy of the well proposal letter for the wells, along with the corresponding AFEs, is attached as **Novo Exhibit A-8**. The costs reflected in the AFEs are consistent with what Novo and other operators have incurred for drilling similar horizontal wells in the area.

25. Novo has been able to locate contact information for all of the parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners in **Case Nos. 20888** and **20889**.

26. In **Case Nos. 20888** and **20889**, 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.

27. For both **Case Nos. 20888** and **20889**, I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners. In compiling these addresses, Novo conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

28. **Novo Exhibits A-1** through **A-8** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.



BRANDON PATRICK

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

SUBSCRIBED and SWORN to before me this 12th day of November 2019 by
Brandon Patrick.

Kiley Mixon
NOTARY PUBLIC

My Commission Expires:

11/15/20



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A1
Submitted by: **Novo Oil & Gas Northern Delaware**
Hearing Date: November 14, 2019
Case # 20888 & 20889

Intent ☐ As Drilled ☐

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 133H
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Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL M	Section 13	Township 23S	Range 28E	Lot	Feet 1122	From N/S SOUTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.3013537					Longitude 104.0493099				NAD 83

Last Take Point (LTP)

UL P	Section 18	Township 23S	Range 29E	Lot	Feet 1122	From N/S SOUTH	Feet 100	From E/W EAST	County EDDY
Latitude 32.3009334					Longitude 104.0157964				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
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KZ 06/29/2018

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318		⁶ Well Number 134H
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC		⁹ Elevation 2986.0

¹⁰ Surface Location

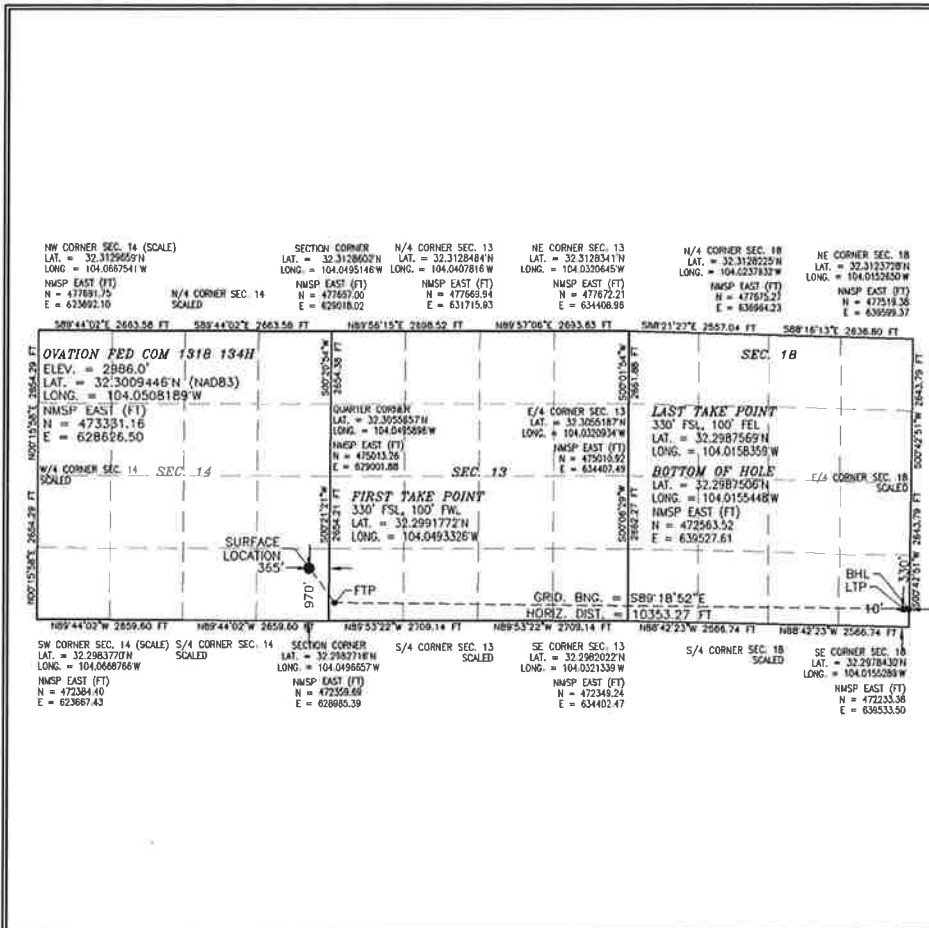
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	23 S	28 E		970	SOUTH	420	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	23 S	29 E		330	SOUTH	10	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 11, 2019

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number: 12797

Survey No. 7769

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A2

Submitted by: Novo Oil & Gas Northern Delaware

Hearing Date: November 14, 2019

Case # 20888 & 20889

Intent ☐ As Drilled ☐

API #			
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC		Property Name: OVATION FED COM 1318	Well Number 134H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL M	Section 13	Township 23S	Range 28E	Lot	Feet 330	From N/S SOUTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.2991772					Longitude 104.0493326				NAD 83

Last Take Point (LTP)

UL P	Section 18	Township 23S	Range 29E	Lot	Feet 330	From N/S SOUTH	Feet 100	From E/W EAST	County EDDY
Latitude 32.2987569					Longitude 104.0158359				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #			
Operator Name:		Property Name:	Well Number

KZ 06/29/2018

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

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

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

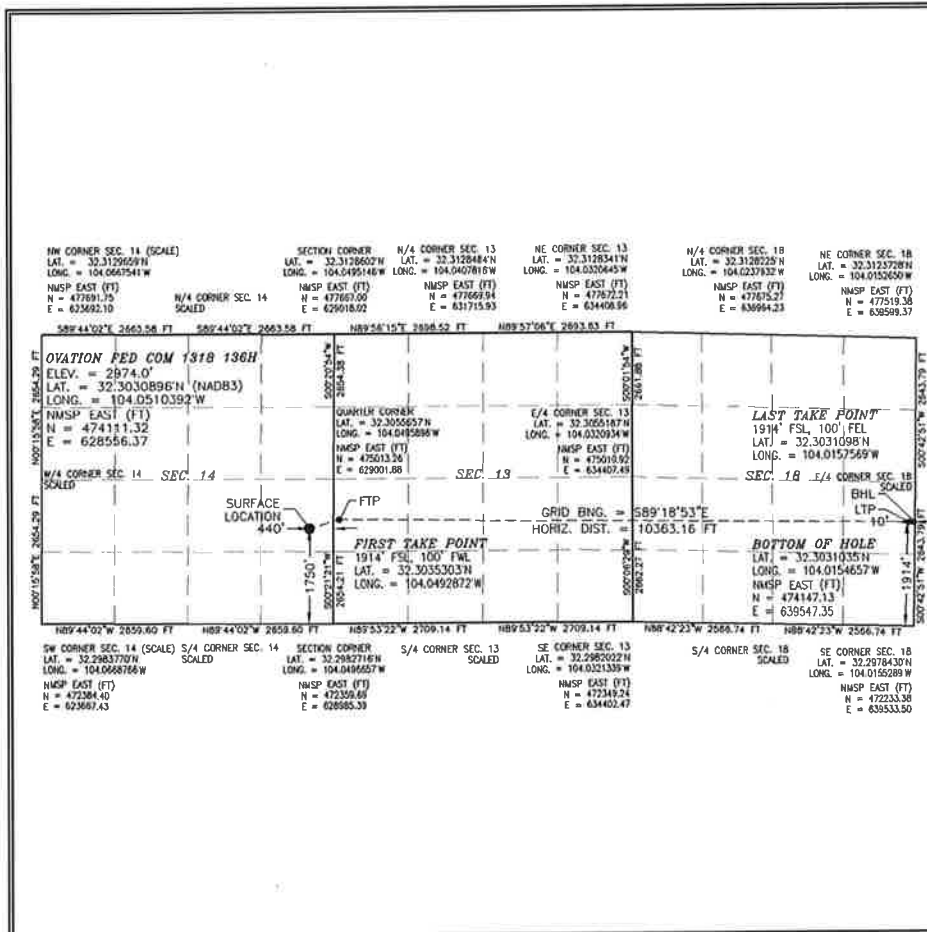
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	⁶ Well Number 136H
		⁹ Elevation 2974.0

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	14	23 S	28 E		1750	SOUTH	440	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	13	23 S	29 E		1914	SOUTH	10	EAST	EDDY
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 11, 2019

Date of Survey _____

Signature and Seal of Professional Surveyor _____

Certificate Number: **FLMNO 12797**

Survey No. **7767**

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A3
Submitted by: **Novo Oil & Gas Northern Delaware**
Hearing Date: **November 14, 2019**
Case # **20888 & 20889**

Intent ☐ As Drilled ☐

API #			
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC		Property Name: OVATION FED COM 1318	Well Number 136H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL L	Section 13	Township 23S	Range 28E	Lot	Feet 1914	From N/S SOUTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.3035303					Longitude 104.0492872				NAD 83

Last Take Point (LTP)

UL I	Section 18	Township 23S	Range 29E	Lot	Feet 1914	From N/S SOUTH	Feet 100	From E/W EAST	County EDDY
Latitude 32.3031098					Longitude 104.0157569				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

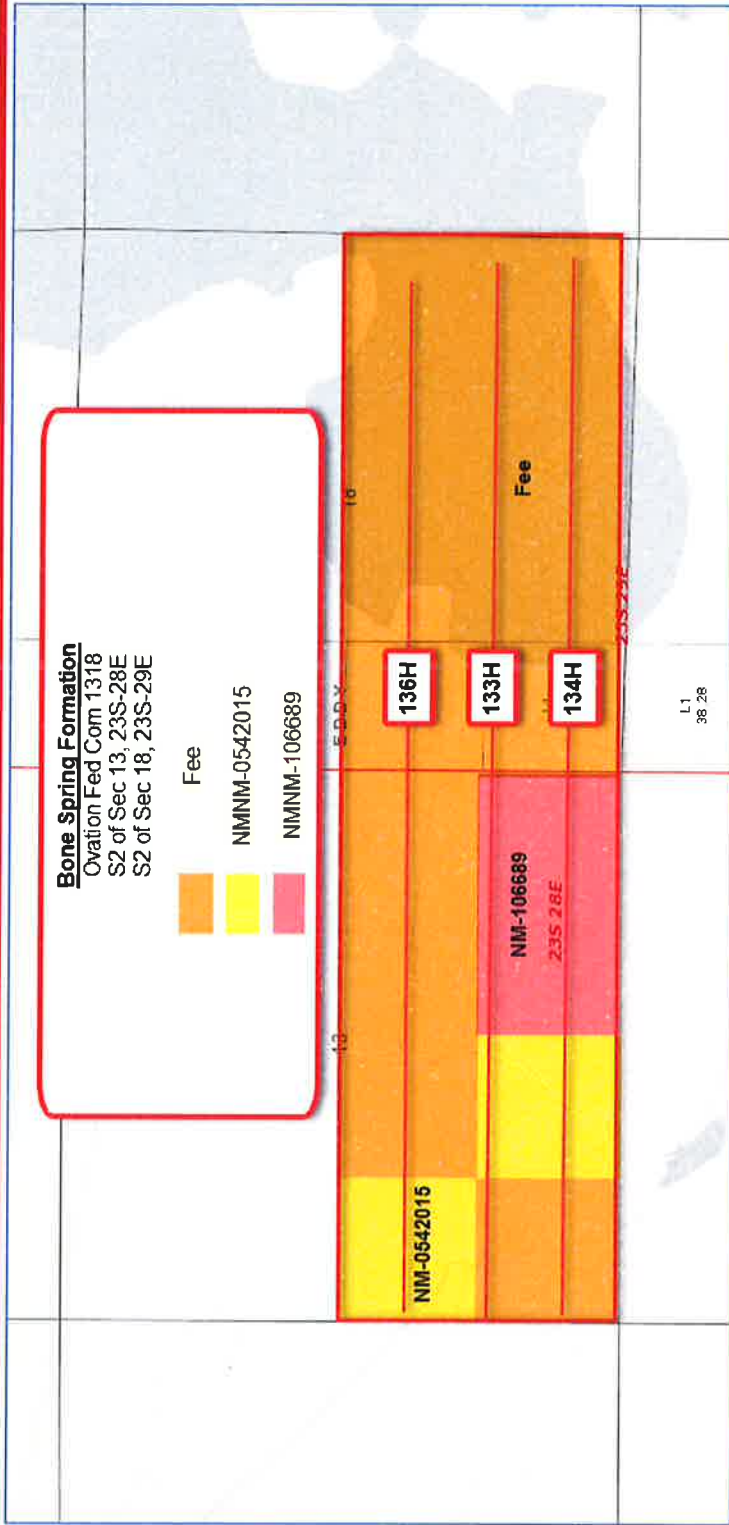
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #			
Operator Name:		Property Name:	Well Number

KZ 06/29/2018



Ovation Fed Com 1318 133H, 134H, 136H – Bone Spring



Pooled Parties

Mark L. Shidler
Westhall Oil & Gas, LLC

1.57200%
1.57200%

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A4

Submitted by: Novo Oil & Gas Northern Delaware

Hearing Date: November 14, 2019

Case # 20888 & 20889

Summary of Interest

Ovation Fed Com 1318

S2 of Section, Township 23 South, Range 28 East
S2 of Section, Township 23 South, Range 29 East
Bone Spring Formation
636.12-acre spacing

Non-Standard Well - Ovation Fed Com 1318 133H

Committed Working Interest:

- Novo Oil & Gas Northern Delaware, LLC

96.85600%

91.82600%

Uncommitted Working Interest:

- Mark L. Shidler
- Westhall Oil & Gas, LLC

3.14400%

1.5720%

1.5720%

Unleased Mineral Interest:

None



Ovation Fed Com 1318 S2

Name	Street	City	State	Zip
Section 13 ORRI				
Don Paage Royalties	550 West Texas Ave, Suite 800	Midland	TX	79701
Robert H. Northington	15250 Prestonwood Blvd, 263	Dallas	TX	75248-4791
H. P. McLish	1520 W Canal Ct, Suite 250	Littleton	CO	80120
Chase Hicks	111 Stoney Creek Lane	Terrell	TX	75160-5140
John Thomas	10117 Estate Lane	Dallas	TX	75238-2134
The Allar Co.	PO Box 1567	Graham	TX	76450
Talus, Inc.	PO Box 1210	Graham	TX	76450
Twin Montana, Inc.	PO Box 1210	Graham	TX	76450



Justin Carter
Landman
Novo Oil & Gas Northern Delaware, LLC
1001 W. Wilshire Blvd, Suite 206
Oklahoma City, Oklahoma 73116
Office: 405.286.3375
jcarter@novoog.com

August 30, 2019

SEE ATTACHED LIST OF WORKING INTEREST OWNERS

Re: Ovation Fed Com 13/18 Third Bone Spring Wells
S/2 of Section 13, Township 23 South, Range 28 East
S/2 of Section 18, Township 23 South, Range 29 East
Eddy County, New Mexico
634.72-acre Working Interest Unit

Proposed Wells
Ovation Fed Com 1318 136H
Ovation Fed Com 1318 133H
Ovation Fed Com 1318 134H

Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes the drilling of the following Ovation Fed Com 13/18 wells, located in S/2 of Section 13, Township 23 South, Range 28 East, and S/2 of Section 18, Township 23 South, Range 29 East, Eddy County, New Mexico, to the Third Bone Spring formation. In connection with the above, Novo will be seeking a Non-Standard Spacing Unit covering the S/2 of Section 13 and the S/2 of Section 18.

The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the enclosed Authority for Expenditures ("AFE") dated August 29, 2019.

Proposed Well - Ovation Fed Com 1318 136H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,914' FSL, 100' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 1,914' FSL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: NE/4SE/4 of Section 18, Township 23 South, Range 29 East
The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,540' feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 19,540' feet.

Proposed Well - Ovation Fed Com 1318 133H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,122' FSL, 100' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 1,122' FSL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A5

Submitted by: **Novo Oil & Gas Northern Delaware**

Hearing Date: November 14, 2019

Case # 20888 & 20889

The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,545' feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 19,545' feet.

Proposed Well - Ovation Fed Com 1318 134H

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

First take point: 330' FSL, 100' FEL of Section 13, Township 23 South, Range 28 East

Last take point: 330' FSL, 100' FEL of Section 18, Township 23 South, Range 29 East

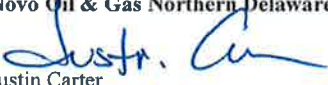
BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East

The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,550' feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 19,550' feet.

Regarding the above, enclosed for your handling is a copy of the AFEs. In the event you elect to participate in the proposed well, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Novo will provide a copy of its proposed Operating Agreement upon request. Should you have any questions regarding the above, please call me at (405) 286.3375 or if by email, my email address is jcarter@novooog.com.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC


Justin Carter
Landman

_____ Not to participate in the **Ovation Fed Com 1318 136H**.

_____ Participate in the **Ovation Fed Com 1318 136H** for its Proportionate share of costs.

_____ Not to participate in the **Ovation Fed Com 1318 133H**.

_____ Participate in the **Ovation Fed Com 1318 133H** for its Proportionate share of costs.

_____ Not to participate in the **Ovation Fed Com 1318 134H**.

_____ Participate in the **Ovation Fed Com 1318 135H** for its Proportionate share of costs.

By: _____

Printed Name: _____

Title: _____

Date: _____

Contact Number: _____

**Ovation Fed Com 1318 Third Bone Spring
Working Interest Unit**

Ovation Fed Com 1318 136H
Ovation Fed Com 1318 133H
Ovation Fed Com 1318 134H

Mark L. Shidler
1010 Lamar, Suite 500
Houston, TX 77002

Westhall Oil & Gas, LLC
P.O. Box 4
Loco Hills, NM 88255

Regeneration Energy, Co.
2308 Sierra Vista Rd
Artesia, NM 88210

The Allar Co.
735 Elm Street
Graham, TX 76450



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 200
 Oklahoma City, Oklahoma 73116
 405-286-4391

WELL NAME	Ovation Fed Com 1318 133H	AFE TYPE	Development	AFE NUMBER	2016088
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R28E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	27
SURFACE LOCATION	T23S, R28E, Sec 14 NE/4 SW/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9,545' / 19,545'
BOTTOM-HOLE LOCATION	T23S, R28E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 10,360' horizontal well.				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
	INTANGIBLE COSTS			
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000
02	LOCATION & ROAD	150,000		150,000
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	50,000		50,000
05	DRILLING - DAYWORK	750,000		750,000
06	COMPLETION/WORKOVER RIG		80,000	80,000
07	COIL TUBING/SNUBBING UNIT		160,000	160,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	288,000		288,000
11	CASING CREW	100,000		100,000
12	TOOL & EQUIPMENT RENTAL	50,000	80,000	130,000
13	FUEL & POWER	204,000	200,000	404,000
14	DIESEL - BASE FOR MUD	100,000		100,000
15	MUD LOGGING & GEOLOGIST	25,000		25,000
16	DISPOSAL, RESTORATION & BACKFILL	150,000		150,000
17	TRUCKING	120,000	40,000	160,000
18	TESTING			0
19	CEMENTING	200,000		200,000
20	PERFORATING		358,000	358,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000
23	OTHER STIMULATION		120,000	120,000
24	FORMATION STIMULATION		4,000,000	4,000,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	120,000	100,000	220,000
27	CONTRACT LABOR	5,000	20,000	25,000
28	OTHER LABOR		100,000	100,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	50,000	1,200,000	1,250,000
31	FLUIDS & CHEMICALS	200,000		200,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	10,000	10,000	20,000
34	BOP TESTING	20,000	10,000	30,000
35	FISHING TOOLS & SERVICES			0
36	INSPECTIONS	10,000	6,000	15,000
37	WIRELINE SERVICES			0
38	ENGINEERING & GEOLOGY - FIELD			0
39	ENGINEERING & GEOLOGY - OFFICE	25,000		25,000
40	MULTISHOT & GYRO			0
41	RE-ENTRY SERVICES			0
42	CAMPS & TRAILERS	15,000	15,000	30,000
43	SAFETY EQUIPMENT & H2S	20,000	5,000	25,000
44	CONTINGENCY			0
45	INSURANCE	10,000	2,000	12,000
46	MISCELLANEOUS	10,000	10,000	20,000
47	SIM-OPS			0
48	TOTAL INTANGIBLE COSTS	\$ 2,982,000	\$ 6,595,000	\$ 9,577,000
	TANGIBLE COSTS	DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000
02	CASING - SURFACE	20,000		20,000
03	CASING - INTERMEDIATE	100,000		100,000
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	410,000		410,000
06	SUBSURFACE EQUIPMENT	50,000	25,000	75,000
07	PRODUCTION TUBING		55,000	55,000
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	60,000	10,000	70,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
14	RODS			0
15	TRUCKING	40,000	2,000	42,000
16	RE-ENTRY EQUIPMENT			0
17	PRODUCTION EQUIPMENT		600,000	600,000
18	MISCELLANEOUS	10,000	10,000	20,000
19	TANGIBLE EQUIP-ACQUISITIONS			0
20	TOTAL TANGIBLE COSTS	\$ 700,000	\$ 1,002,000	\$ 1,702,000
	TOTAL ESTIMATED WELL COST	\$ 3,682,000	\$ 7,597,000	\$ 11,279,000

PREPARED BY: Aaron Cattley Senior Operations Engineer

DATE: 8/29/2019

OPERATOR APPROVAL: [Signature] VP - Operations

DATE: 8/29/2019

OPERATOR APPROVAL: [Signature] CFO

DATE: 8/29/2019

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____

DATE: _____

TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
1001 West Wacker, Suite 208
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 134H	AFE TYPE	Development	AFE NUMBER	2015087
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	27
SURFACE LOCATION	T23S, R28E, Sec 14 NE/4 SW/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMO)	9,550' / 19,550'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 10,360' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
		DRILLING (300)	COMPLETION (500)		
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000	
02	LOCATION & ROAD	150,000		150,000	
03	RIG MOVE	150,000		150,000	
04	DRILLING - FOOTAGE	50,000		50,000	
05	DRILLING - DAYWORK	750,000		750,000	
06	COMPLETION/WORKOVER RIG		60,000	60,000	
07	COIL TUBING/SNUBBING UNIT		160,000	160,000	
08	SLICKLINE/SWABBING			0	
09	BITS	100,000	5,000	105,000	
10	DIRECTIONAL SERVICES	288,000		288,000	
11	CASING CREW	100,000		100,000	
12	TOOL & EQUIPMENT RENTAL	50,000	80,000	130,000	
13	FUEL & POWER	204,000	200,000	404,000	
14	DIESEL - BASE FOR MUD	100,000		100,000	
15	MUD LOGGING & GEOLOGIST	28,000		25,000	
16	DISPOSAL, RESTORATION & BACKFILL	150,000		150,000	
17	TRUCKING	120,000	40,000	160,000	
18	TESTING			0	
19	CEMENTING	200,000		200,000	
20	PERFORATING		358,000	358,000	
21	CASED HOLE LOGS			0	
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000	
23	OTHER STIMULATION		120,000	120,000	
24	FORMATION STIMULATION		4,000,000	4,000,000	
25	CONSULTING SERVICES		20,000	20,000	
26	SUPERVISION	120,000	100,000	220,000	
27	CONTRACT LABOR	5,000	20,000	25,000	
28	OTHER LABOR		100,000	100,000	
29	COMPANY CONSULTING/SUPV			0	
30	WATER	50,000	1,200,000	1,250,000	
31	FLUIDS & CHEMICALS	200,000		200,000	
32	CORING & ANALYSIS			0	
33	COMMUNICATIONS	10,000	10,000	20,000	
34	BOP TESTING	20,000	10,000	30,000	
35	FISHING TOOLS & SERVICES			0	
37	INSPECTIONS	10,000	5,000	15,000	
38	WIRELINE SERVICES			0	
39	ENGINEERING & GEOLOGY - FIELD			0	
40	ENGINEERING & GEOLOGY - OFFICE	25,000		25,000	
41	MULTISHOT & GYRO			0	
42	RE-ENTRY SERVICES			0	
43	CAMPS & TRAILERS	15,000	15,000	30,000	
44	SAFETY EQUIPMENT & H2S	20,000	5,000	25,000	
45	CONTINGENCY			0	
46	INSURANCE	10,000	2,000	12,000	
47	MISCELLANEOUS	10,000		20,000	
48	SIM-OPS			0	
	TOTAL INTANGIBLE COSTS	\$ 2,982,000	\$ 6,595,000	\$ 9,577,000	
	TANGIBLE COSTS	DRILLING (400)	COMPLETION (600)	TOTAL	
01	CASING - CONDUCTOR	10,000		10,000	
02	CASING - SURFACE	20,000		20,000	
03	CASING - INTERMEDIATE	100,000		100,000	
04	CASING - INTERMEDIATE 2			0	
05	CASING - PRODUCTION / LINER	410,000		410,000	
06	SUBSURFACE EQUIPMENT	50,000	25,000	75,000	
07	PRODUCTION TUBING		55,000	55,000	
08	SUBSURFACE PUMPING EQUIPMENT			0	
09	WELLHEAD EQUIPMENT	60,000	10,000	70,000	
10	FLOWLINES		100,000	100,000	
11	SURFACE PUMPING EQUIPMENT			0	
12	LINER HANGER & ASSOC EQUIP			0	
13	VALVES & FITTINGS		200,000	200,000	
15	RODS			0	
17	TRUCKING	40,000	2,000	42,000	
20	RE-ENTRY EQUIPMENT			0	
34	PRODUCTION EQUIPMENT		600,000	600,000	
47	MISCELLANEOUS	10,000	10,000	20,000	
49	TANGIBLE EQUIP-ACQUISITIONS			0	
	TOTAL INTANGIBLE COSTS	\$ 700,000	\$ 1,002,000	\$ 1,702,000	
	TOTAL ESTIMATED WELL COST	\$ 3,682,000	\$ 7,597,000	\$ 11,279,000	

PREPARED BY: Aaron Cattley Senior Operations Engineer DATE: 8/29/2019
OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019
OPERATOR APPROVAL: [Signature] CFO DATE: 8/29/2019

PARTNER COMPANY NAME: _____
PARTNER APPROVAL: _____ DATE: _____
TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
 AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 200
 Oklahoma City, Oklahoma 73116
 405-286-4391

WELL NAME	Ovation Fed Com 1318 136H	AFE TYPE	Development	AFE NUMBER	2015085
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	27
SURFACE LOCATION	T23S, R28E, Sec 14 NE/4 SW/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9,540' / 19,540'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 NE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 10,360' horizontal well.				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	TOTAL
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000
02	LOCATION & ROAD	150,000		150,000
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	50,000		50,000
05	DRILLING - DAYWORK	750,000		750,000
06	COMPLETION/WORKOVER RIG		80,000	80,000
07	COIL TUBING/SNUBBING UNIT		160,000	160,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	288,000		288,000
11	CASING CREW	100,000		100,000
12	TOOL & EQUIPMENT RENTAL	50,000	80,000	130,000
13	FUEL & POWER	204,000	200,000	404,000
14	DIESEL - BASE FOR MUD	100,000		100,000
15	MUD LOGGING & GEOLOGIST	25,000		25,000
16	DISPOSAL, RESTORATION & BACKFILL	150,000		150,000
17	TRUCKING	120,000	40,000	160,000
18	TESTING			0
19	CEMENTING	200,000		200,000
20	PERFORATING		358,000	358,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000
23	OTHER STIMULATION		120,000	120,000
24	FORMATION STIMULATION		4,000,000	4,000,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	120,000	100,000	220,000
27	CONTRACT LABOR	5,000	20,000	25,000
28	OTHER LABOR		100,000	100,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	50,000	1,200,000	1,250,000
31	FLUIDS & CHEMICALS	200,000		200,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	10,000	10,000	20,000
34	BOP TESTING	20,000	10,000	30,000
35	FISHING TOOLS & SERVICES			0
36	INSPECTIONS	10,000	5,000	15,000
37	WIRELINE SERVICES			0
38	ENGINEERING & GEOLOGY - FIELD			0
39	ENGINEERING & GEOLOGY - OFFICE	25,000		25,000
40	MULTISHOT & GYRO			0
41	RE-ENTRY SERVICES			0
42	CAMPS & TRAILERS	15,000	15,000	30,000
43	SAFETY EQUIPMENT & H2S	20,000	5,000	25,000
44	CONTINGENCY			0
45	INSURANCE	10,000	2,000	12,000
46	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
TOTAL INTANGIBLE COSTS		\$ 2,982,000	\$ 6,595,000	\$ 9,577,000
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000
02	CASING - SURFACE	20,000		20,000
03	CASING - INTERMEDIATE	100,000		100,000
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	410,000		410,000
06	SUBSURFACE EQUIPMENT	50,000	25,000	75,000
07	PRODUCTION TUBING		55,000	55,000
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	60,000	10,000	70,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
14	RODS			0
15	TRUCKING	40,000	2,000	42,000
16	RE-ENTRY EQUIPMENT			0
17	PRODUCTION EQUIPMENT		600,000	600,000
18	MISCELLANEOUS	10,000	10,000	20,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
TOTAL INTANGIBLE COSTS		\$ 700,000	\$ 1,002,000	\$ 1,702,000
TOTAL ESTIMATED WELL COST		\$ 3,682,000	\$ 7,597,000	\$ 11,279,000

PREPARED BY: Aaron Caffrey Senior Operations Engineer DATE: 8/29/2019
 OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019
 OPERATOR APPROVAL: [Signature] CEO or COO DATE: 8/29/2019
CEO

PARTNER COMPANY NAME: _____
 PARTNER APPROVAL: _____ DATE: _____
 TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

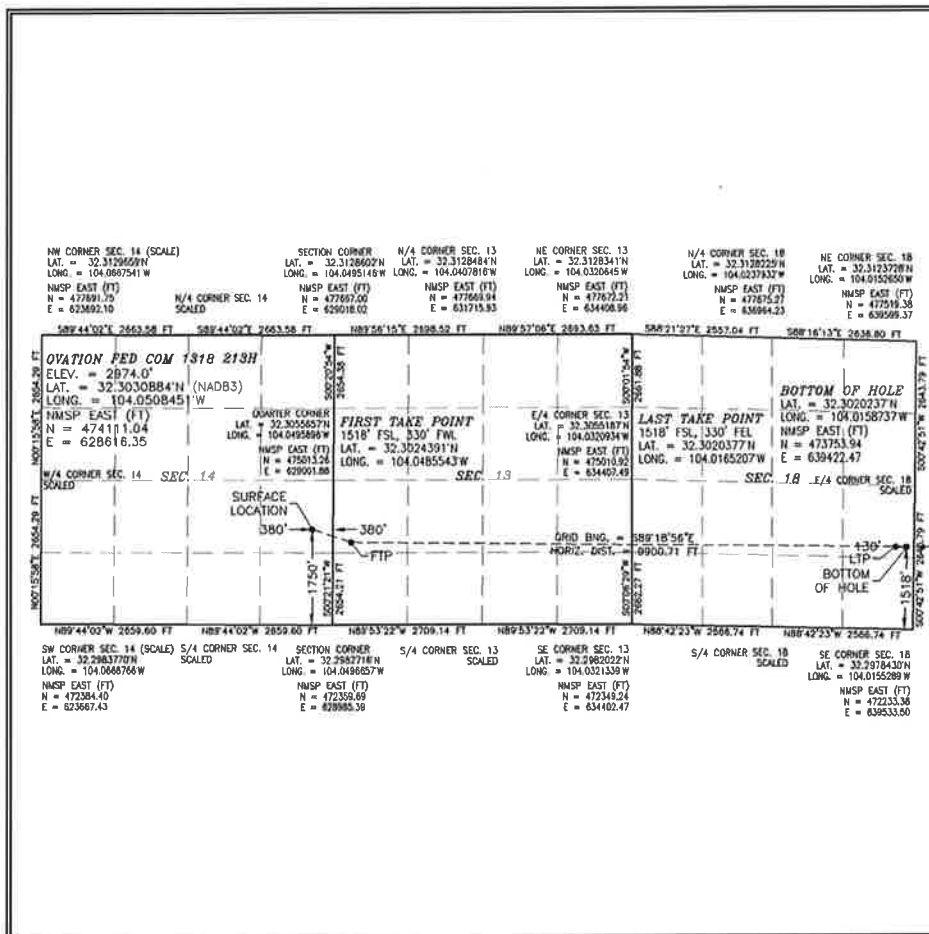
Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name					
⁴ Property Code		⁵ Property Name OVATION FED COM 1318				⁶ Well Number 213H			
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC				⁹ Elevation 2974.0			
¹⁰ Surface Location									
UL or lot no. I	Section 14	Township 23 S	Range 28 E	Lot Idn	Feet from the 1750	North/South line SOUTH	Feet from the 380	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. I	Section 18	Township 23 S	Range 29 E	Lot Idn	Feet from the 1518	North/South line SOUTH	Feet from the 130	East/West line EAST	County EDDY
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 12, 2019

Date of Survey _____

Signature and Seal of Professional Surveyor: _____

Certificate Number: _____

Survey No. 7785

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A6

Submitted by: Novo Oil & Gas Northern Delaware
Hearing Date: November 14, 2019
Case # 20888 & 20889

Intent ☐ As Drilled ☐

API #		
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 213H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL L	Section 13	Township 23S	Range 28E	Lot	Feet 1518	From N/S SOUTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3024391					Longitude 104.0485543				NAD 83

Last Take Point (LTP)

UL I	Section 18	Township 23S	Range 29E	Lot	Feet 1518	From N/S SOUTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3020377					Longitude 104.0165207				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name	⁶ Well Number
	OVATION FED COM 1318	214H
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
372920	NOVO OIL & GAS NORTHERN DELAWARE, LLC	2986.0

¹⁰ Surface Location

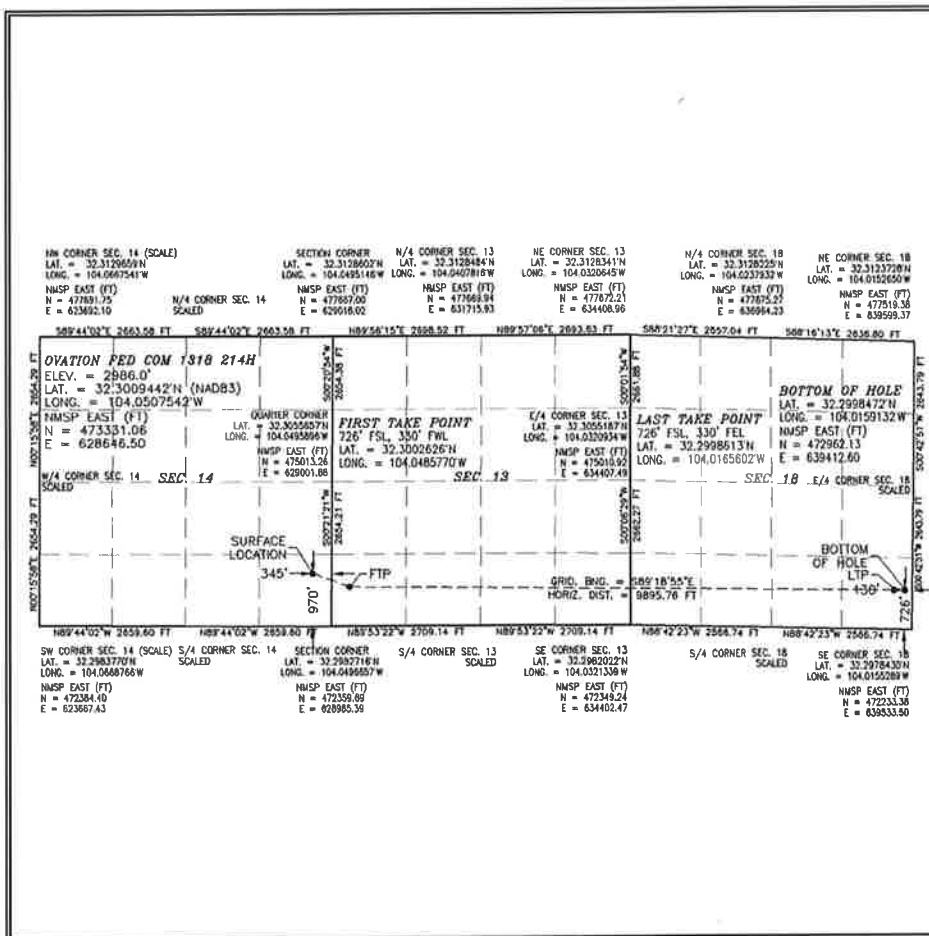
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	23 S	28 E		970	SOUTH	345	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	23 S	29 E		726	SOUTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 12, 2019

Date of Survey _____

Signature and Seal of Professional Surveyor _____

Certificate Number: FIRM PROFESSIONAL SURVEYORS, PLS 12797

SURVEY NO. 7786

Intent ☐ As Drilled ☐

API #			
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC		Property Name: OVATION FED COM 1318	Well Number 214H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL M	Section 13	Township 23S	Range 28E	Lot	Feet 726	From N/S SOUTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3002626					Longitude 104.0485770				NAD 83

Last Take Point (LTP)

UL P	Section 18	Township 23S	Range 29E	Lot	Feet 726	From N/S SOUTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.2998613					Longitude 104.0165602				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #			
Operator Name:		Property Name:	Well Number

KZ 06/29/2018

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
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District III
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1220 S. St. Francis Dr., Santa Fe, NM 87505
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State of New Mexico
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

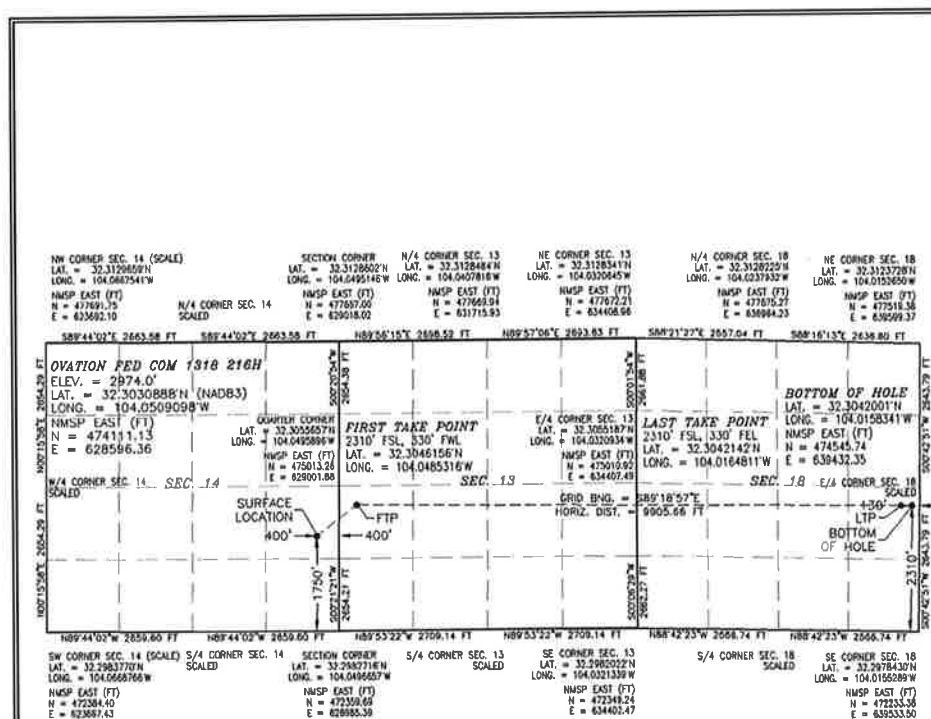
¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	⁶ Well Number 216H
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	⁹ Elevation 2974.0

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	14	23 S	28 E		1750	SOUTH	400	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	18	23 S	29 E		2310	NORTH	130	EAST	EDDY
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 12, 2019

Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number: FIRM 100000000000, PLS 12797

SURVEY NO. 7784

Intent ☐ As Drilled ☐

API #			
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC		Property Name: OVATION FED COM 1318	Well Number 216H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
L	13	23S	28E		2310	SOUTH	330	WEST	EDDY
Latitude 32.3046156					Longitude 104.0485316				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
I	18	23S	29E		2310	SOUTH	330	EAST	EDDY
Latitude 32.3042142					Longitude 104.0164811				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #			
Operator Name:		Property Name:	Well Number

KZ 06/29/2018

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	⁶ Well Number 223H
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	⁹ Elevation 2986.0

¹⁰ Surface Location

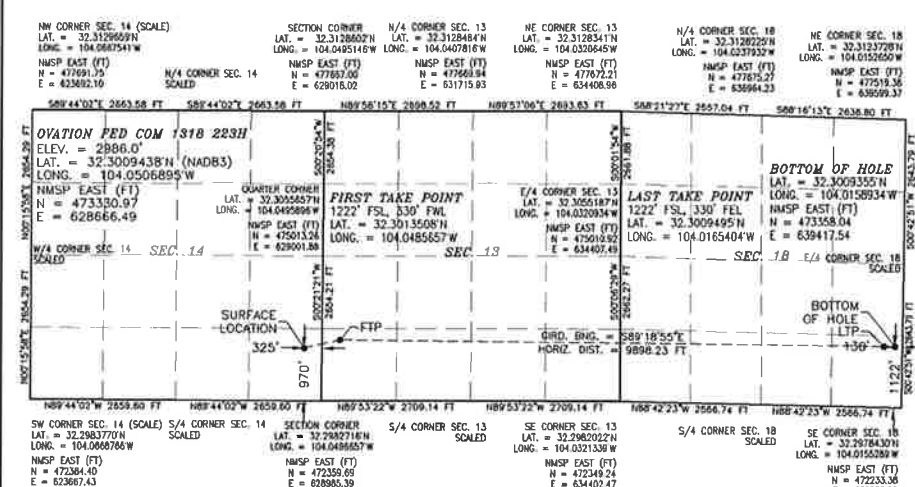

UL or lot no. P	Section 14	Township 23 S	Range 28 E	Lot Idn	Feet from the 970	North/South line SOUTH	Feet from the 325	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. P	Section 18	Township 23 S	Range 29 E	Lot Idn	Feet from the 1122	North/South line SOUTH	Feet from the 130	East/West line EAST	County EDDY
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation 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.

	<p>¹¹ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 12, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certificate Number: _____</p>

Intent ☐ As Drilled ☐

API #		
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 223H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL M	Section 13	Township 23S	Range 28E	Lot	Feet 1222	From N/S SOUTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3013508					Longitude 104.0485657				NAD 83

Last Take Point (LTP)

UL P	Section 18	Township 23S	Range 29E	Lot	Feet 1222	From N/S SOUTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3009495					Longitude 104.0165404				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	
		⁶ Well Number 224H
		⁹ Elevation 2986.0

¹⁰ Surface Location

UL or lot no. P	Section 14	Township 23 S	Range 28 E	Lot Idn	Feet from the 970	North/South line SOUTH	Feet from the 305	East/West line EAST	County EDDY
--------------------	---------------	------------------	---------------	---------	----------------------	---------------------------	----------------------	------------------------	----------------

¹¹ Bottom Hole Location If Different From Surface

UL or lot no. P	Section 18	Township 23 S	Range 29 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 130	East/West line EAST	County EDDY
¹² Dedicated Acres		¹³ Joint or Infill	¹⁴ Consolidation 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.

<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 12, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number: FILING NO. 6883, PLS 12797</p> <p>SURVEY NO. 7789</p>	

Intent ☐ As Drilled ☐

API #			
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC		Property Name: OVATION FED COM 1318	Well Number 224H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
M	13	23S	28E		330	SOUTH	330	WEST	EDDY
Latitude 32.2991743					Longitude 104.0485884				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
P	18	23S	29E		330	SOUTH	330	EAST	EDDY
Latitude 32.2987730					Longitude 104.0165799				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #			
Operator Name:		Property Name:	Well Number

KZ 06/29/2018

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	⁶ Well Number 226H
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	⁹ Elevation 2974.0

¹⁰ Surface Location

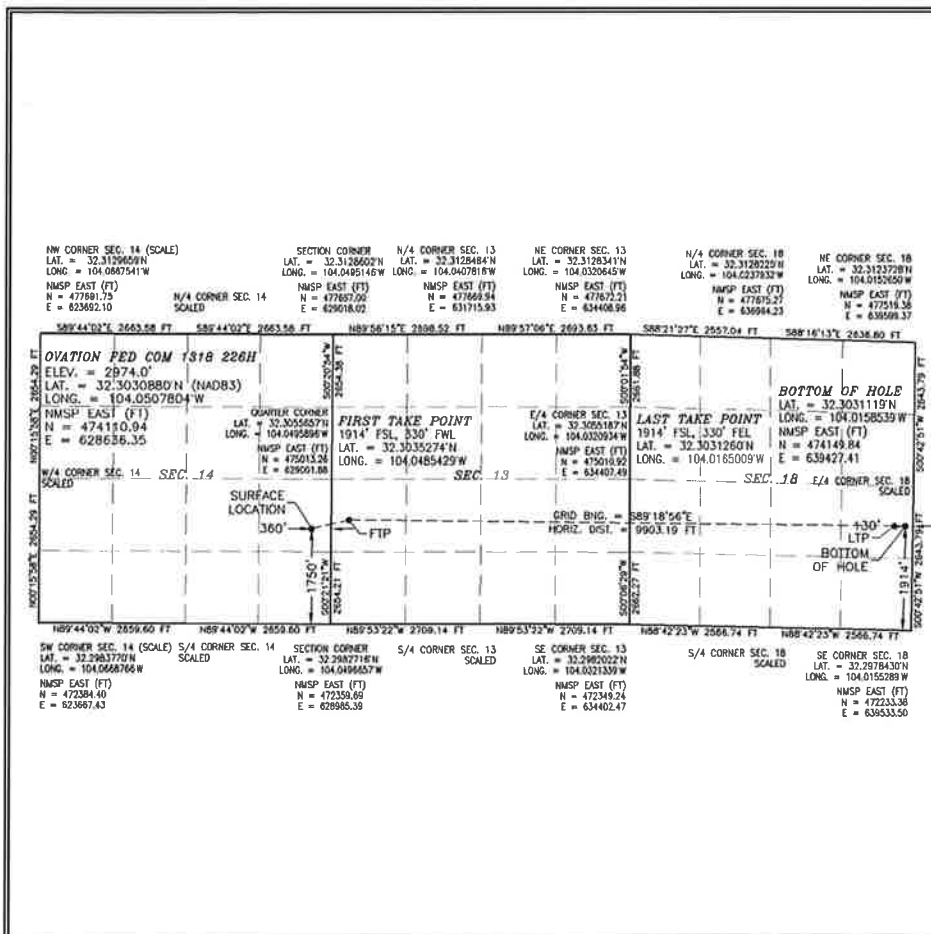
UL or lot no. I	Section 14	Township 23 S	Range 28 E	Lot Idn	Feet from the 1750	North/South line SOUTH	Feet from the 360	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. I	Section 18	Township 23 S	Range 29 E	Lot Idn	Feet from the 1914	North/South line SOUTH	Feet from the 130	East/West line EAST	County EDDY
--------------------	---------------	------------------	---------------	---------	-----------------------	---------------------------	----------------------	------------------------	----------------

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 12, 2019

Date of Survey _____

Signature and Seal of Professional Surveyor _____

Certificate Number: FILMONT PROFESSIONAL SURVEYORS, PLS 12797

SURVEY NO. 7787

Intent ☐ As Drilled ☐

API #		
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 226H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL L	Section 13	Township 23S	Range 28E	Lot	Feet 1914	From N/S SOUTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3035274					Longitude 104.0485429				NAD 83

Last Take Point (LTP)

UL I	Section 18	Township 23S	Range 29E	Lot	Feet 1914	From N/S SOUTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3031260					Longitude 104.0165009				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name	⁶ Well Number
	OVATION FED COM 1318	233H
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
372920	NOVO OIL & GAS NORTHERN DELAWARE, LLC	2986.0

¹⁰ Surface Location

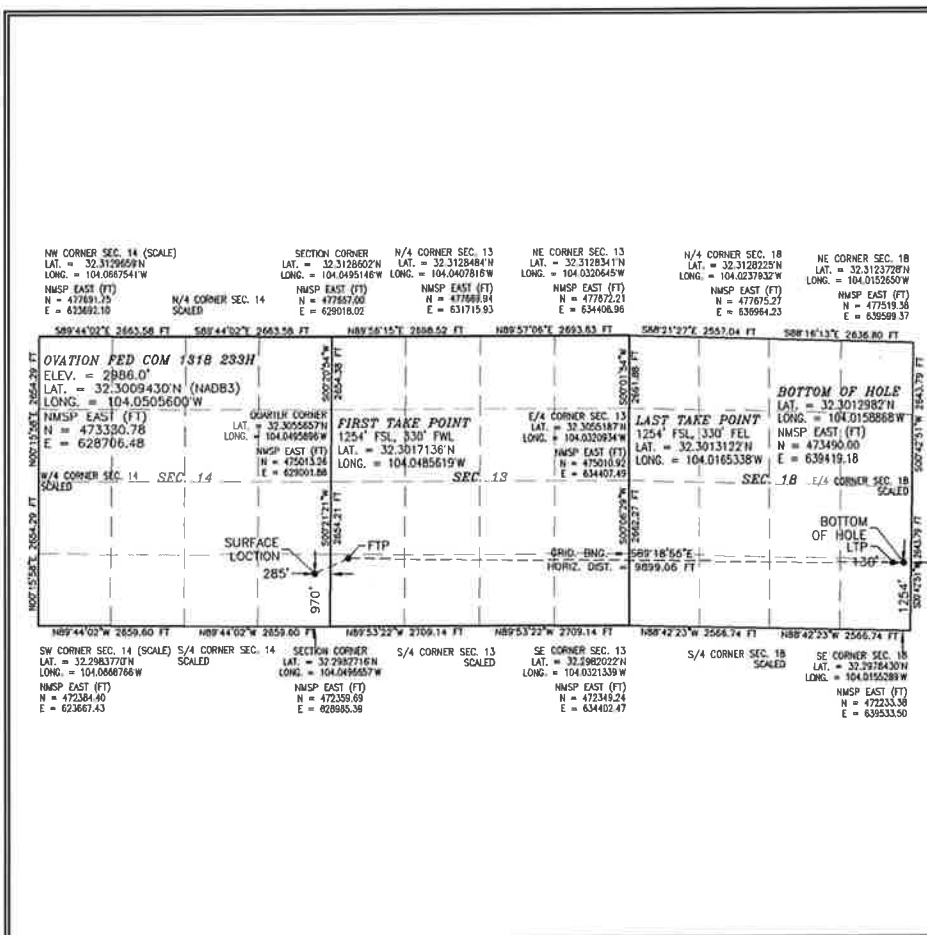
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	23 S	28 E		970	SOUTH	285	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	23 S	29 E		1254	SOUTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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



¹⁷ OPERATOR CERTIFICATION

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Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 12, 2019

Date of Survey _____

Signature and Seal of Professional Surveyor: _____

Certificate Number: FILM MON PROPR 12797

SURVEY NO. 7790

Intent ☐ As Drilled ☐

API #		
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 233H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL M	Section 13	Township 23S	Range 28E	Lot	Feet 1254	From N/S SOUTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3017136					Longitude 104.0485619				NAD 83

Last Take Point (LTP)

UL P	Section 18	Township 23S	Range 29E	Lot	Feet 1254	From N/S SOUTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3013122					Longitude 104.0165338				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name	⁶ Well Number
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
372920	NOVO OIL & GAS NORTHERN DELAWARE, LLC	234H 2986.0

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	23 S	28 E		970	SOUTH	265	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	23 S	29 E		330	SOUTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 12, 2019</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number: FIRM NO. 123456789, PLS 12797</p> <p>SURVEY NO. 7791</p>
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Intent ☐ As Drilled ☐

API #			
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC		Property Name: OVATION FED COM 1318	Well Number 234H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
M	13	23S	28E		330	SOUTH	330	WEST	EDDY
Latitude 32.2991743					Longitude 104.0485884				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
P	18	23S	29E		330	SOUTH	330	EAST	EDDY
Latitude 32.2987730					Longitude 104.0165799				NAD 83

Is this well the defining well for the Horizontal Spacing Unit? ☐

Is this well an infill well? ☐

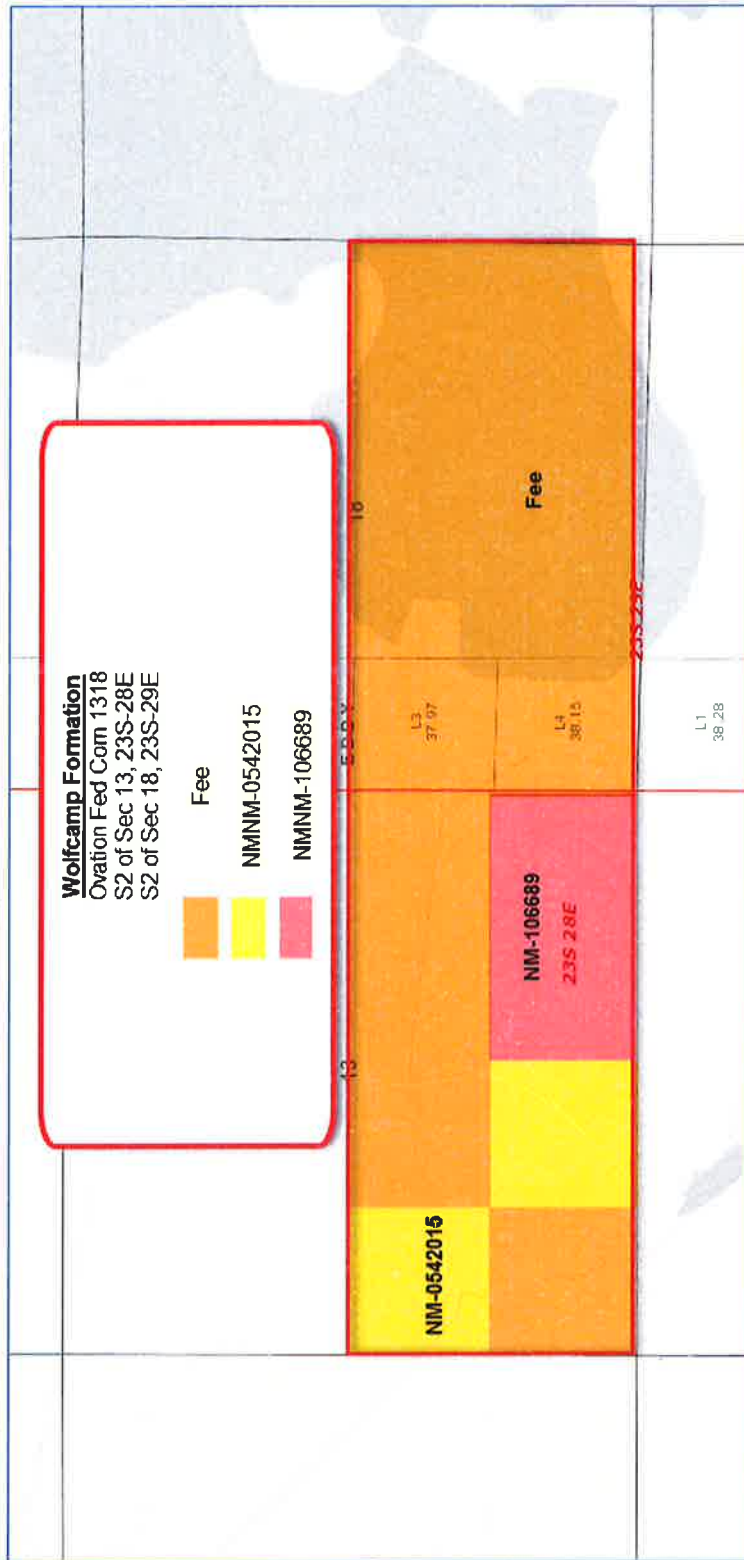
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #			
Operator Name:		Property Name:	Well Number

KZ 06/29/2018



Ovation Fed Com 1318 Wells – Wolfcamp wells



Pooled Parties

Mark L. Shidler

Westhall Oil & Gas, LLC

1.57200%

1.57200%

Summary of Interest

Ovation Fed Com 1318

S2 of Section, Township 23 South, Range 28 East
S2 of Section, Township 23 South, Range 29 East
Wolfcamp Formation
636.12-acre spacing

Committed Working Interest:

- Novo Oil & Gas Northern Delaware, LLC

96.85600%

91.82600%

Uncommitted Working Interest:

- Mark L. Shidler
- Westhall Oil & Gas, LLC

3.14400%

1.5720%
1.5720%

Unleased Mineral Interest:

None



Ovation Fed Com 1318 S2

Name	Street	City	State	Zip
Section 13 ORRI				
Don Paige Royalties	550 West Texas Ave, Suite 800	Midland	TX	79701
Robert H. Northington	15250 Prestonwood Blvd, 263	Dallas	TX	75248-4791
H. P. McLish	1520 W Canal Ct, Suite 250	Littleton	CO	80120
Chase Hicks	111 Stoney Creek Lane	Terrell	TX	75160-5140
John Thomas	10117 Estate Lane	Dallas	TX	75238-2134
The Allar Co.	PO Box 1567	Graham	TX	76450
Talus, Inc.	PO Box 1210	Graham	TX	76450
Twin Montana, Inc.	PO Box 1210	Graham	TX	76450



Justin Carter
Landman
Novo Oil & Gas Northern Delaware, LLC
1001 W. Wilshire Blvd, Suite 206
Oklahoma City, Oklahoma 73116
Office: 405.286.3375
jcarter@novooil.com

August 30, 2019

SEE ATTACHED LIST OF WORKING INTEREST OWNERS

Re: Ovation Fed Com 13/18 Wolfcamp Working Interest Unit
S/2 of Section 13, Township 23 South, Range 28 East
S/2 of Section 18, Township 23 South, Range 29 East
Eddy County, New Mexico
634.72-acre Working Interest Unit

Proposed Wells

Ovation Fed Com 1318 216H
Ovation Fed Com 1318 213H
Ovation Fed Com 1318 214H

Ovation Fed Com 1318 226H
Ovation Fed Com 1318 223H
Ovation Fed Com 1318 224H

Ovation Fed Com 1318 236H
Ovation Fed Com 1318 233H
Ovation Fed Com 1318 234H

Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a 634.72-acre Working Interest Unit covering the S/2 of Section 13, Township 23 South, Range 28 East, and the S/2 of Section 18, Township 23 South, Range 29 East, Eddy County, New Mexico.

Further, in connection with the formation of the Ovation Fed Com 13/18 Wolfcamp Working Interest Unit, as described above, Novo hereby proposes the drilling of nine (9) horizontal wells, as more particularly set forth below. The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the enclosed Authority for Expenditures ("AFE") dated August 29, 2019.

Proposed Well - Ovation Fed Com 1318 216H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 2,310' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 2,310' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: NE/4SE/4 of Section 18, Township 23 South, Range 29 East
The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,680' feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 19,680' feet.

Proposed Well - Ovation Fed Com 1318 213H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,518' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 1,518' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: NE/4SE/4 of Section 18, Township 23 South, Range 29 East
The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,680' feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 19,680' feet.

Proposed Well - Ovation Fed Com 1318 214H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 726' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 726' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East
The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,680' feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 19,680' feet.

Proposed Well - Ovation Fed Com 1318 226H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,914' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 1,914' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: NE/4SE/4 of Section 18, Township 23 South, Range 29 East
The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,905' feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 19,905' feet.

Proposed Well - Ovation Fed Com 1318 223H

SHL: SE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,222' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East
Last take point: 1,222' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East
The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,910' feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 19,910' feet.

Proposed Well - Ovation Fed Com 1318 224H

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

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

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

BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East

The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,910' feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 19,910' feet.

Proposed Well - Ovation Fed Com 1318 236H

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

First take point: 2,178' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East

Last take point: 2,178' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: NE/4SE/4 of Section 18, Township 23 South, Range 29 East

The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,560' feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 20,560' feet.

Proposed Well - Ovation Fed Com 1318 233H

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

First take point: 1,254' FSL, 330' FEL of Section 13, Township 23 South, Range 28 East

Last take point: 1,254' FSL, 330' FEL of Section 18, Township 23 South, Range 29 East

BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East

The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,570' feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 20,570' feet.

Proposed Well - Ovation Fed Com 1318 234H

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

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

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

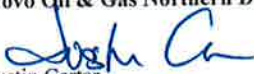
BHL: SE/4SE/4 of Section 18, Township 23 South, Range 29 East

The S/2 of Section 13 and the S/2 of Section 18 will be dedicated to the well as its 634.72-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,575' feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 20,575' feet.

Regarding the above, enclosed for your handling is a copy of the AFEs. In the event you elect to participate in the proposed well, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Novo will provide a copy of its proposed Operating Agreement upon request. Should you have any questions regarding the above, please call me at (405) 286.3375 or if by email, my email address is jcarter@novoog.com.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC


Justin Carter
Landman

- ☐ Not to participate in the **Ovation Fed Com 1318 216H**.
- ☐ Participate in the **Ovation Fed Com 1318 216H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 213H**.
- ☐ Participate in the **Ovation Fed Com 1318 213H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 214H**.
- ☐ Participate in the **Ovation Fed Com 1318 214H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 226H**.
- ☐ Participate in the **Ovation Fed Com 1318 226H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 223H**.
- ☐ Participate in the **Ovation Fed Com 1318 223H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 224H**.
- ☐ Participate in the **Ovation Fed Com 1318 224H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 236H**.
- ☐ Participate in the **Ovation Fed Com 1318 236H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 233H**.
- ☐ Participate in the **Ovation Fed Com 1318 233H** for its Proportionate share of costs.
- ☐ Not to participate in the **Ovation Fed Com 1318 234H**.
- ☐ Participate in the **Ovation Fed Com 1318 234H** for its Proportionate share of costs.

By: _____

Printed Name: _____

Title: _____

Date: _____

Contact Number: _____

**Ovation Fed Com 1318 Wolfcamp
Working Interest Unit**

Ovation Fed Com 1318 216H, 213H, 214H
Ovation Fed Com 1318 226H, 223H, 224H
Ovation Fed Com 1318 236H, 233H, 234H

Mark L. Shidler
1010 Lamar, Suite 500
Houston, TX 77002

Westhall Oil & Gas, LLC
P.O. Box 4
Loco Hills, NM 88255

Regeneration Energy, Co.
2308 Sierra Vista Rd
Artesia, NM 88210

The Allar Co.
735 Elm Street
Graham, TX 76450



NOVO OIL & GAS NORTHERN DELAWARE, LLC

AUTHORIZATION FOR EXPENDITURE

1001 West Wilshire, Suite 200
Oklahoma City, Oklahoma 73118
405-266-4391

WELL NAME	Ovation Fed Com 1318 213H	AFE TYPE	Development	AFE NUMBER	2015098
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R28E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9,680' / 19,680'
BOTTOM-HOLE LOCATION	T23S, R28E, Sec 18 NE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 60,000
02	LOCATION & ROAD	150,000		150,000
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	50,000		60,000
05	DRILLING - DAYWORK	854,000		884,000
06	COMPLETION/WORKOVER RIG		80,000	60,000
07	COIL TUBING/SNUBBING UNIT		180,000	180,000
08	SLICKLINE/SWABBING			0
09	BITS	150,000	5,000	155,000
10	DIRECTIONAL SERVICES	240,000		240,000
11	CASING CREW	100,000		100,000
12	TOOL & EQUIPMENT RENTAL	60,000	80,000	130,000
13	FUEL & POWER	204,000	200,000	404,000
14	DIESEL - BASE FOR MUD	100,000		100,000
15	MUD LOGGING & GEOLOGIST	24,000		24,000
16	DISPOSAL, RESTORATION & BACKFILL	150,000		150,000
17	TRUCKING	120,000	40,000	160,000
18	TESTING			0
19	CEMENTING	200,000		200,000
20	PERFORATING		358,000	358,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000
23	OTHER STIMULATION		120,000	120,000
24	FORMATION STIMULATION		4,000,000	4,000,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	120,000	100,000	220,000
27	CONTRACT LABOR	5,000	20,000	25,000
28	OTHER LABOR		100,000	100,000
29	COMPANY CONSULTING/SUPV.			0
30	WATER	80,000	1,200,000	1,280,000
31	FLUIDS & CHEMICALS	200,000		200,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	10,000	10,000	20,000
34	BOP TESTING	20,000	10,000	30,000
35	FISHING TOOLS & SERVICES			0
36	INSPECTIONS	10,000	5,000	15,000
37	WIRELINE SERVICES			0
38	ENGINEERING & GEOLOGY - FIELD			0
39	ENGINEERING & GEOLOGY - OFFICE	15,000		15,000
40	MULTISHOT & GYRO			0
41	RE-ENTRY SERVICES			0
42	CAMPS & TRAILERS	15,000	15,000	30,000
43	SAFETY EQUIPMENT & H2S	10,000	5,000	15,000
44	CONTINGENCY			0
45	INSURANCE	10,000	2,000	12,000
46	MISCELLANEOUS	10,000	10,000	20,000
47	SIM-OPS			0
TOTAL INTANGIBLE COSTS		\$ 3,067,000	\$ 6,695,000	\$ 9,662,000
TANGIBLE COSTS				
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000
02	CASING - SURFACE	20,000		20,000
03	CASING - INTERMEDIATE	85,000		85,000
04	CASING - INTERMEDIATE 2	305,000		305,000
05	CASING - PRODUCTION / LINER	545,000		545,000
06	SUBSURFACE EQUIPMENT	50,000	25,000	75,000
07	PRODUCTION TUBING		55,000	55,000
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	80,000	10,000	90,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
14	RODS			0
15	TRUCKING	40,000	2,000	42,000
16	RE-ENTRY EQUIPMENT			0
17	PRODUCTION EQUIPMENT		800,000	800,000
18	MISCELLANEOUS	10,000	10,000	20,000
19	TANGIBLE EQUIP-ACQUISITIONS			0
TOTAL TANGIBLE COSTS		\$ 1,126,000	\$ 1,002,000	\$ 2,127,000
TOTAL ESTIMATED WELL COST		\$ 4,192,000	\$ 7,697,000	\$ 11,789,000

PREPARED BY: Aaron Cathey Senior Operations Engineer DATE: 8/20/2019

OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019

OPERATOR APPROVAL: [Signature] CFO DATE: 8/29/2019

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
1001 West Wilshire, Suite 200
Oklahoma City, Oklahoma 73116
405-248-4391

WELL NAME	Ovation Fed Com 1318 214H	AFE TYPE	Development	AFE NUMBER	2015099
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R28E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9,680' / 19,680'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
		DRILLING (300)	COMPLETION (600)		
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000	
02	LOCATION & ROAD	180,000		180,000	
03	RIG MOVE	150,000		150,000	
04	DRILLING - FOOTAGE	50,000		50,000	
06	DRILLING - DAYWORK	864,000		864,000	
06	COMPLETION/WORKOVER RIG		80,000	80,000	
07	COIL TUBING/SNUBBING UNIT		180,000	180,000	
08	SLICKLINE/SWABBING			0	
09	BITS	150,000	5,000	155,000	
10	DIRECTIONAL SERVICES	240,000		240,000	
11	CASING CREW	100,000		100,000	
12	TOOL & EQUIPMENT RENTAL	50,000	80,000	130,000	
13	FUEL & POWER	204,000	200,000	404,000	
14	DIESEL - BASE FOR MUD	100,000		100,000	
15	MUD LOGGING & GEOLOGIST	24,000		24,000	
16	DISPOSAL, RESTORATION & BACKFILL	150,000		150,000	
17	TRUCKING	120,000	40,000	160,000	
18	TESTING			0	
19	CEMENTING	200,000		200,000	
20	PERFORATING		358,000	358,000	
21	CASED HOLE LOGS			0	
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000	
23	OTHER STIMULATION		120,000	120,000	
24	FORMATION STIMULATION		4,000,000	4,000,000	
25	CONSULTING SERVICES		20,000	20,000	
26	SUPERVISION	120,000	100,000	220,000	
27	CONTRACT LABOR	5,000	20,000	25,000	
28	OTHER LABOR		100,000	100,000	
29	COMPANY CONSULTING/SUPV			0	
30	WATER	60,000	1,200,000	1,250,000	
31	FLUIDS & CHEMICALS	200,000		200,000	
32	CORING & ANALYSIS			0	
33	COMMUNICATIONS	10,000	10,000	20,000	
34	BOP TESTING	20,000	10,000	30,000	
36	FISHING TOOLS & SERVICES			0	
37	INSPECTIONS	10,000	5,000	15,000	
38	WIRELINE SERVICES			0	
39	ENGINEERING & GEOLOGY - FIELD			0	
40	ENGINEERING & GEOLOGY - OFFICE	16,000		15,000	
41	MULTISHOT & GYRO			0	
42	RE-ENTRY SERVICES			0	
43	CAMPS & TRAILERS	15,000	16,000	30,000	
44	SAFETY EQUIPMENT & H2S	10,000	5,000	16,000	
45	CONTINGENCY			0	
46	INSURANCE	10,000	2,000	12,000	
47	MISCELLANEOUS	10,000	10,000	20,000	
49	SIM-OPS			0	
	TOTAL INTANGIBLE COSTS	\$ 3,067,000	\$ 6,595,000	\$ 9,662,000	
	TANGIBLE COSTS	DRILLING (400)	COMPLETION (600)	TOTAL	
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000	
02	CASING - SURFACE	20,000		20,000	
03	CASING - INTERMEDIATE	85,000		85,000	
04	CASING - INTERMEDIATE 2	305,000		305,000	
05	CASING - PRODUCTION / LINER	545,000		545,000	
06	SUBSURFACE EQUIPMENT	50,000	28,000	78,000	
07	PRODUCTION TUBING		55,000	55,000	
08	SUBSURFACE PUMPING EQUIPMENT			0	
09	WELLHEAD EQUIPMENT	80,000	10,000	70,000	
10	FLOWLINES		100,000	100,000	
11	SURFACE PUMPING EQUIPMENT			0	
12	LINER HANGER & ASSOC EQUIP			0	
13	VALVES & FITTINGS		200,000	200,000	
16	RODS			0	
17	TRUCKING	40,000	2,000	42,000	
20	RE-ENTRY EQUIPMENT			0	
34	PRODUCTION EQUIPMENT		800,000	800,000	
47	MISCELLANEOUS	10,000	10,000	20,000	
49	TANGIBLE EQUIP-ACQUISITIONS			0	
	TOTAL TANGIBLE COSTS	\$ 1,126,000	\$ 1,002,000	\$ 2,127,000	
	TOTAL ESTIMATED WELL COST	\$ 4,192,000	\$ 7,597,000	\$ 11,789,000	

PREPARED BY:

Aaron Catley

Senior Operations Engineer

DATE: 8/29/2019

OPERATOR APPROVAL:

VIP - Operations

DATE: 8/29/2019

OPERATOR APPROVAL:

CEO or CFO

DATE: 8/29/2019

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. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 208
 Oklahoma City, Oklahoma 73116
 405-286-4391

WELL NAME	Ovation Fed Com 1318 216H	AFE TYPE	Development	AFE NUMBER	2018097
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9,680' / 19,880'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 NE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE		COST ESTIMATE		
	INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	
01	SURVEY/PERMITS/DAMAGES/LEGAL		\$ 50,000		\$ 50,000
02	LOCATION & ROAD		150,000		150,000
03	RIG MOVE		150,000		150,000
04	DRILLING - FOOTAGE		50,000		50,000
05	DRILLING - DAYWORK		854,000		854,000
06	COMPLETION/WORKOVER RIG			80,000	80,000
07	COIL TUBING/SNUBBING UNIT			180,000	180,000
08	SLICKLINE/SWABBING				0
09	BITS		150,000	5,000	155,000
10	DIRECTIONAL SERVICES		240,000		240,000
11	CASING CREW		100,000		100,000
12	TOOL & EQUIPMENT RENTAL		50,000	80,000	130,000
13	FUEL & POWER		204,000	200,000	404,000
14	DIESEL - BASE FOR MUD		100,000		100,000
15	MUD LOGGING & GEOLOGIST		24,000		24,000
16	DISPOSAL, RESTORATION & BACKFILL		150,000		150,000
17	TRUCKING		120,000	40,000	160,000
18	TESTING				0
19	CEMENTING		200,000		200,000
20	PERFORATING			358,000	358,000
21	CASED HOLE LOGS				0
22	DOWNHOLE TOOLS & SERVICE			75,000	75,000
23	OTHER STIMULATION			120,000	120,000
24	FORMATION STIMULATION			4,000,000	4,000,000
25	CONSULTING SERVICES			20,000	20,000
26	SUPERVISION		120,000	100,000	220,000
27	CONTRACT LABOR		5,000	20,000	25,000
28	OTHER LABOR			100,000	100,000
29	COMPANY CONSULTING/SUPV				0
30	WATER		50,000	1,200,000	1,250,000
31	FLUIDS & CHEMICALS		200,000		200,000
32	CORING & ANALYSIS				0
33	COMMUNICATIONS		10,000	10,000	20,000
34	BOP TESTING		20,000	10,000	30,000
35	FISHING TOOLS & SERVICES				0
36	INSPECTIONS		10,000	5,000	15,000
37	WIRELINE SERVICES				0
38	ENGINEERING & GEOLOGY - FIELD				0
39	ENGINEERING & GEOLOGY - OFFICE		15,000		15,000
40	MULTISHOT & GYRO				0
41	RE-ENTRY SERVICES				0
42	CAMPS & TRAILERS		15,000	15,000	30,000
43	SAFETY EQUIPMENT & H2S		10,000	5,000	15,000
44	CONTINGENCY				0
45	INSURANCE		10,000	2,000	12,000
46	MISCELLANEOUS		10,000	10,000	20,000
49	SIM-OPS				0
TOTAL INTANGIBLE COSTS			\$ 3,067,000	\$ 6,595,000	\$ 9,662,000
	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR		\$ 10,000		\$ 10,000
02	CASING - SURFACE		20,000		20,000
03	CASING - INTERMEDIATE		85,000		85,000
04	CASING - INTERMEDIATE 2		305,000		305,000
05	CASING - PRODUCTION / LINER		545,000		545,000
06	SUBSURFACE EQUIPMENT		50,000	25,000	75,000
07	PRODUCTION TUBING			55,000	55,000
08	SUBSURFACE PUMPING EQUIPMENT				0
09	WELLHEAD EQUIPMENT		80,000	10,000	90,000
10	FLOWLINES			100,000	100,000
11	SURFACE PUMPING EQUIPMENT				0
12	LINER HANGER & ASSOC EQUIP				0
13	VALVES & FITTINGS			200,000	200,000
14	RODS				0
15	TRUCKING		40,000	2,000	42,000
16	RE-ENTRY EQUIPMENT				0
17	PRODUCTION EQUIPMENT			800,000	800,000
18	MISCELLANEOUS		10,000	10,000	20,000
19	TANGIBLE EQUIP-ACQUISITIONS				0
TOTAL TANGIBLE COSTS			\$ 1,125,000	\$ 1,002,000	\$ 2,127,000
TOTAL ESTIMATED WELL COST			\$ 4,192,000	\$ 7,597,000	\$ 11,789,000

PREPARED BY: Aaron Catlett Senior Operations Engineer DATE: 8/29/2019
 OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019
 OPERATOR APPROVAL: [Signature] CFO DATE: 8/29/2019

PARTNER COMPANY NAME: _____
 PARTNER APPROVAL: _____ DATE: _____
 TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 200
 Oklahoma City, Oklahoma 73116
 405-288-4391

WELL NAME	Ovation Fed Com 1318 223H	APE TYPE	Development	APE NUMBER	2015101
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R28E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp A	DEPTH (TVD/ITMD)	9,910' / 19,910'
BOTTOM-HOLE LOCATION	T23S, R28E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
	INTANGIBLE COSTS	DRILLING (\$00)	COMPLETION (\$00)		
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$	50,000
02	LOCATION & ROAD	150,000			150,000
03	RIG MOVE	150,000			150,000
04	DRILLING - FOOTAGE	50,000			50,000
05	DRILLING - DAYWORK	554,000			554,000
06	COMPLETION/WORKOVER RIG		60,000		60,000
07	COIL TUBING/SNUBBING UNIT		180,000		180,000
08	SLICKLINE/SWABBING				0
09	BITS	160,000	5,000		155,000
10	DIRECTIONAL SERVICES	240,000			240,000
11	CASING CREW	100,000			100,000
12	TOOL & EQUIPMENT RENTAL	60,000	80,000		130,000
13	FUEL & POWER	204,000	200,000		404,000
14	DIESEL - BASE FOR MUD	100,000			100,000
15	MUD LOGGING & GEOLOGIST	24,000			24,000
16	DISPOSAL, RESTORATION & BACKFILL	150,000			150,000
17	TRUCKING	120,000	40,000		160,000
18	TESTING				0
19	CEMENTING	200,000			200,000
20	PERFORATING		358,000		358,000
21	CASED HOLE LOGS				0
22	DOWNHOLE TOOLS & SERVICE		75,000		75,000
23	OTHER STIMULATION		120,000		120,000
24	FORMATION STIMULATION		4,000,000		4,000,000
25	CONSULTING SERVICES		20,000		20,000
26	SUPERVISION	120,000	100,000		220,000
27	CONTRACT LABOR	5,000	20,000		25,000
28	OTHER LABOR		100,000		100,000
29	COMPANY CONSULTING/SUPV				0
30	WATER	60,000	1,200,000		1,260,000
31	FLUIDS & CHEMICALS	200,000			200,000
32	CORING & ANALYSIS				0
33	COMMUNICATIONS	10,000	10,000		20,000
34	BOP TESTING	20,000	10,000		30,000
36	FISHING TOOLS & SERVICES				0
37	INSPECTIONS	10,000	5,000		15,000
38	WIRELINE SERVICES				0
39	ENGINEERING & GEOLOGY - FIELD				0
40	ENGINEERING & GEOLOGY - OFFICE	15,000			15,000
41	MULTISHOT & GYRO				0
42	RE-ENTRY SERVICES				0
43	CAMPS & TRAILERS	15,000	15,000		30,000
44	SAFETY EQUIPMENT & H2S	10,000	5,000		15,000
45	CONTINGENCY				0
46	INSURANCE	10,000	2,000		12,000
47	MISCELLANEOUS	10,000	10,000		20,000
49	SIM-OPS				0
	TOTAL INTANGIBLE COSTS	\$ 3,067,000	\$ 6,595,000	\$	9,662,000
	TANGIBLE COSTS	DRILLING (\$00)	COMPLETION (\$00)	TOTAL	
01	CASING - CONDUCTOR	\$ 10,000		\$	10,000
02	CASING - SURFACE	20,000			20,000
03	CASING - INTERMEDIATE	85,000			85,000
04	CASING - INTERMEDIATE 2	305,000			305,000
05	CASING - PRODUCTION / LINER	545,000			545,000
06	SUBSURFACE EQUIPMENT	50,000	25,000		75,000
07	PRODUCTION TUBING		55,000		55,000
08	SUBSURFACE PUMPING EQUIPMENT				0
09	WELLHEAD EQUIPMENT	60,000	10,000		70,000
10	FLOWLINES		100,000		100,000
11	SURFACE PUMPING EQUIPMENT				0
12	LINER HANGER & ASSOC EQUIP				0
13	VALVES & FITTINGS		200,000		200,000
15	RODS				0
17	TRUCKING	40,000	2,000		42,000
20	RE-ENTRY EQUIPMENT				0
34	PRODUCTION EQUIPMENT		800,000		800,000
47	MISCELLANEOUS	10,000	10,000		20,000
49	TANGIBLE EQUIP-ACQUISITIONS				0
	TOTAL TANGIBLE COSTS	\$ 1,126,000	\$ 1,002,000	\$	2,127,000
	TOTAL ESTIMATED WELL COST	\$ 4,192,000	\$ 7,597,000	\$	11,789,000

PREPARED BY: Aaron Cathey Senior Operations Engineer DATE: 8/29/2019
 OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019
 OPERATOR APPROVAL: [Signature] DATE: 8/21/2019

PARTNER COMPANY NAME: _____ DATE: _____
 PARTNER APPROVAL: _____
 TITLE: _____

The costs of this APE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
1001 West Wilshire, Suite 200
Oklahoma City, Oklahoma 73116
405-266-4381

WELL NAME	Ovation Fed Com 1318 224H	AFE TYPE	Development	AFE NUMBER	2016102
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9,910' / 10,910'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (\$00)	COMPLETION (\$00)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000
02	LOCATION & ROAD	150,000		150,000
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	60,000		60,000
05	DRILLING - DAYWORK	834,000		834,000
06	COMPLETION/WORKOVER RIG		60,000	60,000
07	COIL TUBING/SNUBBING UNIT		180,000	180,000
08	SLICKLINE/SWABBING			0
09	BITS	150,000	5,000	155,000
10	DIRECTIONAL SERVICES	240,000		240,000
11	CASING CREW	100,000		100,000
12	TOOL & EQUIPMENT RENTAL	60,000	80,000	130,000
13	FUEL & POWER	204,000	200,000	404,000
14	DIESEL - BASE FOR MUD	100,000		100,000
15	MUD LOGGING & GEOLOGIST	24,000		24,000
16	DISPOSAL, RESTORATION & BACKFILL	160,000		160,000
17	TRUCKING	120,000	40,000	180,000
18	TESTING			0
19	CEMENTING	200,000		200,000
20	PERFORATING		368,000	368,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000
23	OTHER STIMULATION		120,000	120,000
24	FORMATION STIMULATION		4,000,000	4,000,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	120,000	100,000	220,000
27	CONTRACT LABOR	5,000	20,000	25,000
28	OTHER LABOR		100,000	100,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	50,000	1,200,000	1,250,000
31	FLUIDS & CHEMICALS	200,000		200,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	10,000	10,000	20,000
34	BOP TESTING	20,000	10,000	30,000
35	FISHING TOOLS & SERVICES			0
37	INSPECTIONS	10,000	5,000	15,000
38	WIRELINE SERVICES			0
39	ENGINEERING & GEOLOGY - FIELD			0
40	ENGINEERING & GEOLOGY - OFFICE	15,000		15,000
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	15,000	15,000	30,000
44	SAFETY EQUIPMENT & H2S	10,000	5,000	15,000
45	CONTINGENCY			0
46	INSURANCE	10,000	2,000	12,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
TOTAL INTANGIBLE COSTS		\$ 3,067,000	\$ 6,595,000	\$ 9,662,000
TANGIBLE COSTS				
		DRILLING (\$00)	COMPLETION (\$00)	TOTAL
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000
02	CASING - SURFACE	20,000		20,000
03	CASING - INTERMEDIATE	85,000		85,000
04	CASING - INTERMEDIATE 2	305,000		305,000
05	CASING - PRODUCTION / LINER	645,000		645,000
06	SUBSURFACE EQUIPMENT	60,000	25,000	75,000
07	PRODUCTION TUBING		66,000	55,000
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	60,000	10,000	70,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING	40,000	2,000	42,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
TOTAL TANGIBLE COSTS		\$ 1,125,000	\$ 1,002,000	\$ 2,127,000
TOTAL ESTIMATED WELL COST		\$ 4,192,000	\$ 7,597,000	\$ 11,789,000

PREPARED BY: Aaron Cathey Senior Operations Engineer DATE: 8/29/2019
OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019
OPERATOR APPROVAL: [Signature] CFO DATE: 8/29/2019

PARTNER COMPANY NAME: _____
PARTNER APPROVAL: _____ DATE: _____
TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
1001 West Wilshire, Suite 200
Oklahoma City, Oklahoma 73116
406-286-4381

WELL NAME	Ovation Fed Com 1318 228H	AFE TYPE	Development	AFE NUMBER	2015100
LATERAL LOCATION	T23S, R29E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	8,905' / 19,905'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 NE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
		DRILLING (\$00)	COMPLETION (\$00)		
INTANGIBLE COSTS					
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000	
02	LOCATION & ROAD	150,000		150,000	
03	RIG MOVE	150,000		150,000	
04	DRILLING - FOOTAGE	50,000		50,000	
05	DRILLING - DAYWORK	854,000		854,000	
06	COMPLETION/WORKOVER RIG		60,000	60,000	
07	COIL TUBING/SNUBBING UNIT		150,000	160,000	
08	SLICKLINE/SWABBING			0	
09	BITS	150,000	5,000	155,000	
10	DIRECTIONAL SERVICES	240,000		240,000	
11	CASING CREW	100,000		100,000	
12	TOOL & EQUIPMENT RENTAL	60,000	80,000	130,000	
13	FUEL & POWER	204,000	200,000	404,000	
14	DIESEL - BASE FOR MUD	100,000		100,000	
15	MUD LOGGING & GEOLOGIST	24,000		24,000	
16	DISPOSAL, RESTORATION & BACKFILL	150,000		160,000	
17	TRUCKING	120,000	40,000	160,000	
18	TESTING			0	
19	CEMENTING	200,000		200,000	
20	PERFORATING		358,000	358,000	
21	CASED HOLE LOGS			0	
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000	
23	OTHER STIMULATION		120,000	120,000	
24	FORMATION STIMULATION		4,000,000	4,000,000	
25	CONSULTING SERVICES		20,000	20,000	
26	SUPERVISION	120,000	100,000	220,000	
27	CONTRACT LABOR	5,000	20,000	25,000	
28	OTHER LABOR		100,000	100,000	
29	COMPANY CONSULTING/SUPV			0	
30	WATER	50,000	1,200,000	1,250,000	
31	FLUIDS & CHEMICALS	200,000		200,000	
32	CORING & ANALYSIS			0	
33	COMMUNICATIONS	10,000	10,000	20,000	
34	BOP TESTING	20,000	10,000	30,000	
35	FISHING TOOLS & SERVICES			0	
36	INSPECTIONS	10,000	5,000	15,000	
37	WIRELINE SERVICES			0	
38	ENGINEERING & GEOLOGY - FIELD			0	
39	ENGINEERING & GEOLOGY - OFFICE	15,000		15,000	
40	MULTISHOT & GYRO			0	
41	RE-ENTRY SERVICES			0	
42	CAMPS & TRAILERS	15,000	15,000	30,000	
43	SAFETY EQUIPMENT & H2S	10,000	5,000	15,000	
44	CONTINGENCY			0	
45	INSURANCE	10,000	2,000	12,000	
46	MISCELLANEOUS	10,000	10,000	20,000	
47	SIM-OPS			0	
48	TOTAL INTANGIBLE COSTS	\$ 3,067,000	\$ 6,595,000	\$ 9,662,000	
TANGIBLE COSTS		DRILLING (\$00)	COMPLETION (\$00)	TOTAL	
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000	
02	CASING - SURFACE	20,000		20,000	
03	CASING - INTERMEDIATE	85,000		85,000	
04	CASING - INTERMEDIATE 2	305,000		305,000	
05	CASING - PRODUCTION / LINER	645,000		645,000	
06	SUBSURFACE EQUIPMENT	80,000	25,000	76,000	
07	PRODUCTION TUBING		55,000	55,000	
08	SUBSURFACE PUMPING EQUIPMENT			0	
09	WELLHEAD EQUIPMENT	80,000	10,000	70,000	
10	FLOWLINES		100,000	100,000	
11	SURFACE PUMPING EQUIPMENT			0	
12	LINER HANGER & ASSOC EQUIP			0	
13	VALVES & FITTINGS		200,000	200,000	
14	RODS			0	
15	TRUCKING	40,000	2,000	42,000	
16	RE-ENTRY EQUIPMENT			0	
17	PRODUCTION EQUIPMENT		800,000	800,000	
18	MISCELLANEOUS	10,000	10,000	20,000	
19	TANGIBLE EQUIP-ACQUISITIONS			0	
20	TOTAL TANGIBLE COSTS	\$ 1,125,000	\$ 1,002,000	\$ 2,127,000	
TOTAL ESTIMATED WELL COST		\$ 4,192,000	\$ 7,597,000	\$ 11,789,000	

PREPARED BY: Aaron Cattle Senior Operations Engineer DATE: 8/29/2019
OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019
OPERATOR APPROVAL: [Signature] CFO DATE: 8/29/2019

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. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 200
 Oklahoma City, Oklahoma 73110
 405-298-4391

WELL NAME	Ovation Fed Com 1318 233H	AFE TYPE	Development	AFE NUMBER	2016104
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R28E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10,570' / 20,570'
BOTTOM-HOLE LOCATION	T23S, R28E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (600)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$ 50,000
02	LOCATION & ROAD	160,000		160,000
03	RIG MOVE	160,000		160,000
04	DRILLING - FOOTAGE	60,000		60,000
05	DRILLING - DAYWORK	854,000		854,000
06	COMPLETION/WORKOVER RIG		80,000	80,000
07	COIL TUBING/SNUBBING UNIT		160,000	160,000
08	SLICKLINE/SWABBING			0
09	BITS	160,000	5,000	155,000
10	DIRECTIONAL SERVICES	240,000		240,000
11	CASING CREW	100,000		100,000
12	TOOL & EQUIPMENT RENTAL	60,000	80,000	130,000
13	FUEL & POWER	204,000	200,000	404,000
14	DIESEL - BASE FOR MUD	100,000		100,000
15	MUD LOGGING & GEOLOGIST	24,000		24,000
16	DISPOSAL, RESTORATION & BACKFILL	160,000		160,000
17	TRUCKING	120,000	40,000	160,000
18	TESTING			0
19	CEMENTING	200,000		200,000
20	PERFORATING		358,000	358,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE		75,000	75,000
23	OTHER STIMULATION		120,000	120,000
24	FORMATION STIMULATION		4,000,000	4,000,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	120,000	100,000	220,000
27	CONTRACT LABOR	5,000	20,000	25,000
28	OTHER LABOR		100,000	100,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	60,000	1,200,000	1,250,000
31	FLUIDS & CHEMICALS	200,000		200,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	10,000	10,000	20,000
34	BOP TESTING	20,000	10,000	30,000
36	FISHING TOOLS & SERVICES			0
37	INSPECTIONS	10,000	5,000	15,000
38	WIRELINE SERVICES			0
39	ENGINEERING & GEOLOGY - FIELD			0
40	ENGINEERING & GEOLOGY - OFFICE	15,000		15,000
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	15,000	15,000	30,000
44	SAFETY EQUIPMENT & H2S	10,000	5,000	15,000
45	CONTINGENCY			0
46	INSURANCE	10,000	2,000	12,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 3,087,000	\$ 6,595,000	\$ 9,682,000
TANGIBLE COSTS				
01	CASING - CONDUCTOR	\$ 10,000		\$ 10,000
02	CASING - SURFACE	20,000		20,000
03	CASING - INTERMEDIATE	85,000		85,000
04	CASING - INTERMEDIATE 2	305,000		305,000
05	CASING - PRODUCTION / LINER	545,000		545,000
06	SUBSURFACE EQUIPMENT	50,000	25,000	75,000
07	PRODUCTION TUBING		55,000	55,000
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	80,000	10,000	70,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING	40,000	2,000	42,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 1,125,000	\$ 1,002,000	\$ 2,127,000
	TOTAL ESTIMATED WELL COST	\$ 4,192,000	\$ 7,597,000	\$ 11,789,000

PREPARED BY: Aaron Cattle Senior Operations Engineer DATE: 8/29/2019

OPERATOR APPROVAL: [Signature] VP - Operations DATE: 8/29/2019

OPERATOR APPROVAL: [Signature] CFO DATE: 8/29/2019

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC

AUTHORIZATION FOR EXPENDITURE

1001 West Washita, Suite 206
Oklahoma City, Oklahoma 73116
405-288-4391

WELL NAME	Ovation Fed Com 1318 234H	AFE TYPE	Development	AFE NUMBER	2015105
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10,575' / 20,575'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 SE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
INTANGIBLE COSTS		DRILLING (300)	COMPLETION (600)		
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 90,000		\$	60,000
02	LOCATION & ROAD	160,000			150,000
03	RIG MOVE	150,000			150,000
04	DRILLING - FOOTAGE	50,000			50,000
05	DRILLING - DAYWORK	854,000			854,000
06	COMPLETION/WORKOVER RIG		80,000		60,000
07	COIL TUBING/SNUBBING UNIT		180,000		180,000
08	SLICKLINE/SWABBING				0
09	BITS	150,000	5,000		155,000
10	DIRECTIONAL SERVICES	240,000			240,000
11	CASING CREW	100,000			100,000
12	TOOL & EQUIPMENT RENTAL	50,000	80,000		130,000
13	FUEL & POWER	204,000	200,000		404,000
14	DIESEL - BASE FOR MUD	100,000			100,000
15	MUD LOGGING & GEOLOGIST	24,000			24,000
16	DISPOSAL RESTORATION & BACKFILL	150,000			150,000
17	TRUCKING	120,000	40,000		160,000
18	TESTING				0
19	CEMENTING	200,000			200,000
20	PERFORATING		358,000		358,000
21	CASED HOLE LOGS				0
22	DOWNHOLE TOOLS & SERVICE		75,000		75,000
23	OTHER STIMULATION		120,000		120,000
24	FORMATION STIMULATION		4,000,000		4,000,000
25	CONSULTING SERVICES		20,000		20,000
26	SUPERVISION	120,000	100,000		220,000
27	CONTRACT LABOR	5,000	20,000		25,000
28	OTHER LABOR		100,000		100,000
29	COMPANY CONSULTING/SUPV				0
30	WATER	50,000	1,200,000		1,250,000
31	FLUIDS & CHEMICALS	200,000			200,000
32	CORING & ANALYSIS				0
33	COMMUNICATIONS	10,000	10,000		20,000
34	BOP TESTING	20,000	10,000		30,000
35	FISHING TOOLS & SERVICES				0
36	INSPECTIONS	10,000	5,000		15,000
37	WIRELINE SERVICES				0
38	ENGINEERING & GEOLOGY - FIELD				0
39	ENGINEERING & GEOLOGY - OFFICE	15,000			15,000
40	MULTISHOT & GYRO				0
41	RE-ENTRY SERVICES				0
42	CAMPS & TRAILERS	15,000	15,000		30,000
43	SAFETY EQUIPMENT & H2S	10,000	5,000		15,000
44	CONTINGENCY				0
45	INSURANCE	10,000	2,000		12,000
46	MISCELLANEOUS	10,000	10,000		20,000
47	SIM-OPS				0
48	TOTAL INTANGIBLE COSTS	\$ 3,067,000	\$ 6,595,000	\$	9,662,000
TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	TOTAL	
01	CASING - CONDUCTOR	\$ 10,000		\$	10,000
02	CASING - SURFACE	20,000			20,000
03	CASING - INTERMEDIATE	85,000			85,000
04	CASING - INTERMEDIATE 2	305,000			305,000
05	CASING - PRODUCTION / LINER	545,000			545,000
06	SUBSURFACE EQUIPMENT	50,000	25,000		75,000
07	PRODUCTION TUBING		55,000		55,000
08	SUBSURFACE PUMPING EQUIPMENT				0
09	WELLHEAD EQUIPMENT	60,000	10,000		70,000
10	FLOWLINES		100,000		100,000
11	SURFACE PUMPING EQUIPMENT				0
12	LINER HANGER & ASSOC EQUIP				0
13	VALVES & FITTINGS		200,000		200,000
14	RODS				0
15	TRUCKING	40,000	2,000		42,000
16	RE-ENTRY EQUIPMENT				0
17	PRODUCTION EQUIPMENT		600,000		600,000
18	MISCELLANEOUS	10,000	10,000		20,000
19	TANGIBLE EQUIP-ACQUISITIONS				0
20	TOTAL TANGIBLE COSTS	\$ 1,125,000	\$ 1,002,000	\$	2,127,000
21	TOTAL ESTIMATED WELL COST	\$ 4,192,000	\$ 7,597,000	\$	11,789,000

PREPARED BY: Aaron Catley Senior Operations Engineer

DATE: 8/29/2019

OPERATOR APPROVAL: VP - Operations

DATE: 8/29/2019

OPERATOR APPROVAL: 250

DATE: 8/29/2019

PARTNER COMPANY NAME:

PARTNER APPROVAL:

DATE:

TITLE:

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



NOVO OIL & GAS NORTHERN DELAWARE, LLC

AUTHORIZATION FOR EXPENDITURE

1001 West Windsor, Suite 200
Oklahoma City, Oklahoma 73116
405-266-4381

WELL NAME	Ovation Fed Com 1318 238H	AFE TYPE	Development	AFE NUMBER	2015103
LATERAL LOCATION	T23S, R28E, Sec 13 - T23S, R29E, Sec 18	FIELD	Northern Delaware	DRILLING DAYS	32
SURFACE LOCATION	T23S, R28E, Sec 14 SE/4 SW/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMO)	10,580' / 20,580'
BOTTOM-HOLE LOCATION	T23S, R29E, Sec 18 NE/4 SE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well.				
ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
		DRILLING (\$00)	COMPLETION (\$00)		
	INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 50,000		\$	50,000
02	LOCATION & ROAD	150,000			150,000
03	RIG MOVE	150,000			150,000
04	DRILLING - FOOTAGE	50,000			50,000
05	DRILLING - DAYWORK	854,000			854,000
06	COMPLETION/WORKOVER RIG		80,000		80,000
07	COIL TUBING/SNUBBING UNIT		180,000		180,000
08	SLICKLINE/SWABBING				0
09	BITS	150,000	5,000		155,000
10	DIRECTIONAL SERVICES	240,000			240,000
11	CASING CREW	100,000			100,000
12	TOOL & EQUIPMENT RENTAL	50,000	80,000		130,000
13	FUEL & POWER	204,000	200,000		404,000
14	DIESEL - BASE FOR MUD	100,000			100,000
15	MUD LOGGING & GEOLOGIST	24,000			24,000
16	DISPOSAL, RESTORATION & BACKFILL	150,000			150,000
17	TRUCKING	120,000	40,000		160,000
18	TESTING				0
19	CEMENTING	200,000			200,000
20	PERFORATING		358,000		358,000
21	CASED HOLE LOGS				0
22	DOWNHOLE TOOLS & SERVICE		75,000		75,000
23	OTHER STIMULATION		120,000		120,000
24	FORMATION STIMULATION		4,000,000		4,000,000
25	CONSULTING SERVICES		20,000		20,000
26	SUPERVISION	120,000	100,000		220,000
27	CONTRACT LABOR	5,000	20,000		25,000
28	OTHER LABOR		100,000		100,000
29	COMPANY CONSULTING/SUPV				0
30	WATER	50,000	1,200,000		1,250,000
31	FLUIDS & CHEMICALS	200,000			200,000
32	CORING & ANALYSIS				0
33	COMMUNICATIONS	10,000	10,000		20,000
34	BOP TESTING	20,000	10,000		30,000
36	FISHING TOOLS & SERVICES				0
37	INSPECTIONS	10,000	5,000		15,000
38	WIRELINE SERVICES				0
39	ENGINEERING & GEOLOGY - FIELD				0
40	ENGINEERING & GEOLOGY - OFFICE	15,000			15,000
41	MULTISHOT & GYRO				0
42	RE-ENTRY SERVICES				0
43	CAMPS & TRAILERS	15,000	15,000		30,000
44	SAFETY EQUIPMENT & H2S	10,000	5,000		15,000
46	CONTINGENCY				0
46	INSURANCE	10,000	2,000		12,000
47	MISCELLANEOUS	10,000	10,000		20,000
49	SIM-OPS				0
	TOTAL INTANGIBLE COSTS	\$ 3,067,000	\$ 6,596,000	\$	9,663,000
	TANGIBLE COSTS	DRILLING (\$00)	COMPLETION (\$00)	TOTAL	
01	CASING - CONDUCTOR	\$ 10,000		\$	10,000
02	CASING - SURFACE	20,000			20,000
03	CASING - INTERMEDIATE	85,000			85,000
04	CASING - INTERMEDIATE 2	305,000			305,000
05	CASING - PRODUCTION / LINER	545,000			545,000
06	SUBSURFACE EQUIPMENT	50,000	25,000		75,000
07	PRODUCTION TUBING		55,000		55,000
08	SUBSURFACE PUMPING EQUIPMENT				0
09	WELLHEAD EQUIPMENT	60,000	10,000		70,000
10	FLOWLINES		100,000		100,000
11	SURFACE PUMPING EQUIPMENT				0
12	LINER HANGER & ASSOC EQUIP				0
13	VALVES & FITTINGS		200,000		200,000
16	RODS				0
17	TRUCKING	40,000	2,000		42,000
20	RE-ENTRY EQUIPMENT				0
34	PRODUCTION EQUIPMENT		600,000		600,000
47	MISCELLANEOUS	10,000	10,000		20,000
49	TANGIBLE EQUIP-ACQUISITIONS				0
	TOTAL TANGIBLE COSTS	\$ 1,126,000	\$ 1,002,000	\$	2,128,000
	TOTAL ESTIMATED WELL COST	\$ 4,193,000	\$ 7,598,000	\$	11,791,000

PREPARED BY:

Aaron Catley

Senior Operations Engineer

DATE: 8/29/2019

OPERATOR APPROVAL:

VP - Operations

DATE: 8/29/2019

OPERATOR APPROVAL:

CEO

DATE: 8/29/2019

PARTNER COMPANY NAME:

PARTNER APPROVAL:

DATE:

TITLE:

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.

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 NOS. 20888 & 20889

AFFIDAVIT OF MICHAEL HALE
IN SUPPORT OF CASE NOS. 20888 AND 20889

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

1. My name is Michael Hale. I work for Novo Oil & Gas Northern Delaware, LLC (“Novo”) as Vice President of Geoscience and Exploration.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Novo in **Case Nos. 20888 and 20889**, and I have conducted a geologic study of the lands in the subject areas.
4. **Novo Exhibit B-1** is a project locator map outlining the proposed spacing units in **Case Nos. 20888 and 20889** in relation to the surrounding acreage.
5. **Novo Exhibit B-1** also shows the path of the proposed wellbores for the **Ovation Fed Com 1318 #133H Well, Ovation Fed Com 1318 #134H Well, Ovation Fed Com 1318 #136H Well, Ovation Fed Com 1318 #213H Well, Ovation Fed Com 1318 #214H Well, Ovation Fed Com 1318 #216H Well, Ovation Fed Com 1318 #223H Well, Ovation Fed Com 1318 #224H Well, Ovation Fed Com 1318 #226H Well, Ovation Fed Com 1318 #233H Well, Ovation Fed Com 1318 #234H Well, and Ovation Fed Com 1318 #236H Well.**

Existing nearby wells producing in the Bone Spring and Wolfcamp formations are also reflected on the map.

6. **Novo Exhibit B-2** is a 3-D Block Diagram reflecting Novo's intended development of the Bone Spring and Wolfcamp formations in Sections 13 and 18.

CASE NO. 20888

7. In this case, Novo is targeting the Bone Spring formation.

8. **Novo Exhibit B-3** is a subsea structure map that I prepared off the top of the Third Bone Spring Sand formation, which Novo intends to develop with its **Ovation Fed Com 1318 #133H Well, Ovation Fed Com 1318 #134H Well, and the Ovation Fed Com 1318 #136H Well.** The structure map with a contour interval of 20 feet shows the Bone Spring is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

CASE NO. 20889

9. 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.

10. In this case, Novo is targeting the Wolfcamp formation.

11. **Novo Exhibit B-4** is a subsea structure map that I prepared off the top of the Wolfcamp XY formation with a contour interval of 20 feet. The map reflects the proposed **Ovation Fed Com 1318 #213H Well, Ovation Fed Com 1318 #214H Well, and Ovation Fed Com 1318 #216H Well.** The structure map shows the Wolfcamp is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

12. **Novo Exhibit B-5** is a subsea structure map that I prepared off the top of the Wolfcamp A formation with a contour interval of 20 feet. The map reflects the proposed **Ovation Fed Com 1318 #223H Well, Ovation Fed Com 1318 #224H Well, and Ovation Fed Com 1318 #226H Well**. The structure map shows the Wolfcamp is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

13. **Novo Exhibit B-6** is a subsea structure map that I prepared off the top of the Wolfcamp B formation with a contour interval of 20 feet. The map reflects the proposed **Ovation Fed Com 1318 #233H Well, Ovation Fed Com 1318 #234H Well, and Ovation Fed Com 1318 #236H Well**. The structure map shows the Wolfcamp is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

14. **Novo Exhibit B-7** is a stratigraphic cross-section that I prepared displaying open-hole logs from three representative wells denoted from A to A'. **Novo Exhibit B-7** also includes an insert on the bottom left-hand corner that shows the location of the wells used to create the stratigraphic cross-section on **Novo Exhibit B-7**. These three wells from A to A' are representative of the geology in the area. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target intervals in the Third Bone Spring, Wolfcamp XY, Wolfcamp A, and Wolfcamp B are labeled and marked on the exhibit. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring and Wolfcamp, are consistent in thickness, across the entire proposed spacing unit.

15. In my opinion, each tract comprising the proposed horizontal spacing units in **Case Nos. 20888** and **20889** will be productive and contribute more-or-less equally to production from the wellbore.

16. In my opinion, the granting of Novo's applications in these cases is in the best interest of conservation, the prevention of waste, and protection of correlative rights.


17. Novo Exhibits B-1 through B-7 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.


MICHAEL HALE

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

SUBSCRIBED and SWORN to before me this 11th day of November 2019 by
Michael Hale.


NOTARY PUBLIC

My Commission Expires:

11/15/20

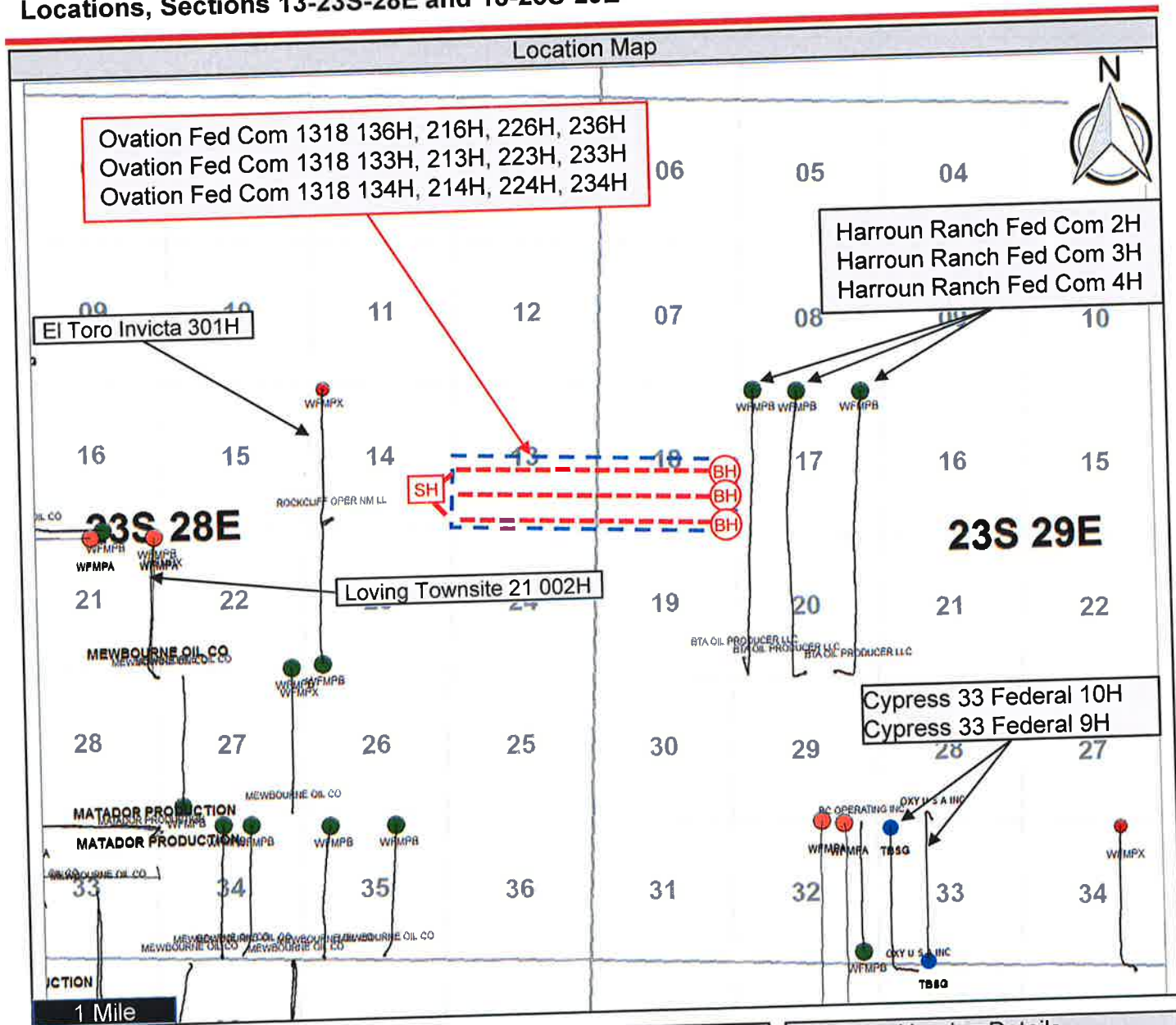


13804199_v1

13804383_v1

Ovation Fed Com 1318 Execution Plan

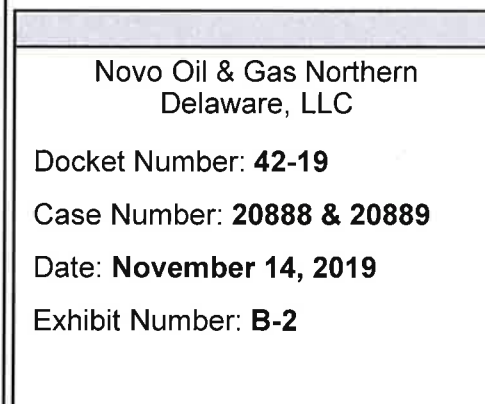
Third Bone Spring, Wolfcamp XY, Wolfcamp A and Wolfcamp B Proposed Locations, Sections 13-23S-28E and 18-23S-29E



Map Legend	
	Spacing Unit (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Horizontal Landing Target
	Third Bone Spring Producer
	Wolfcamp XY Producer
	Wolfcamp A Producer
	Wolfcamp B Producer

Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number: 42-19
Case Number: 20888 & 20889
Date: November 14, 2019
Exhibit Number: B-1

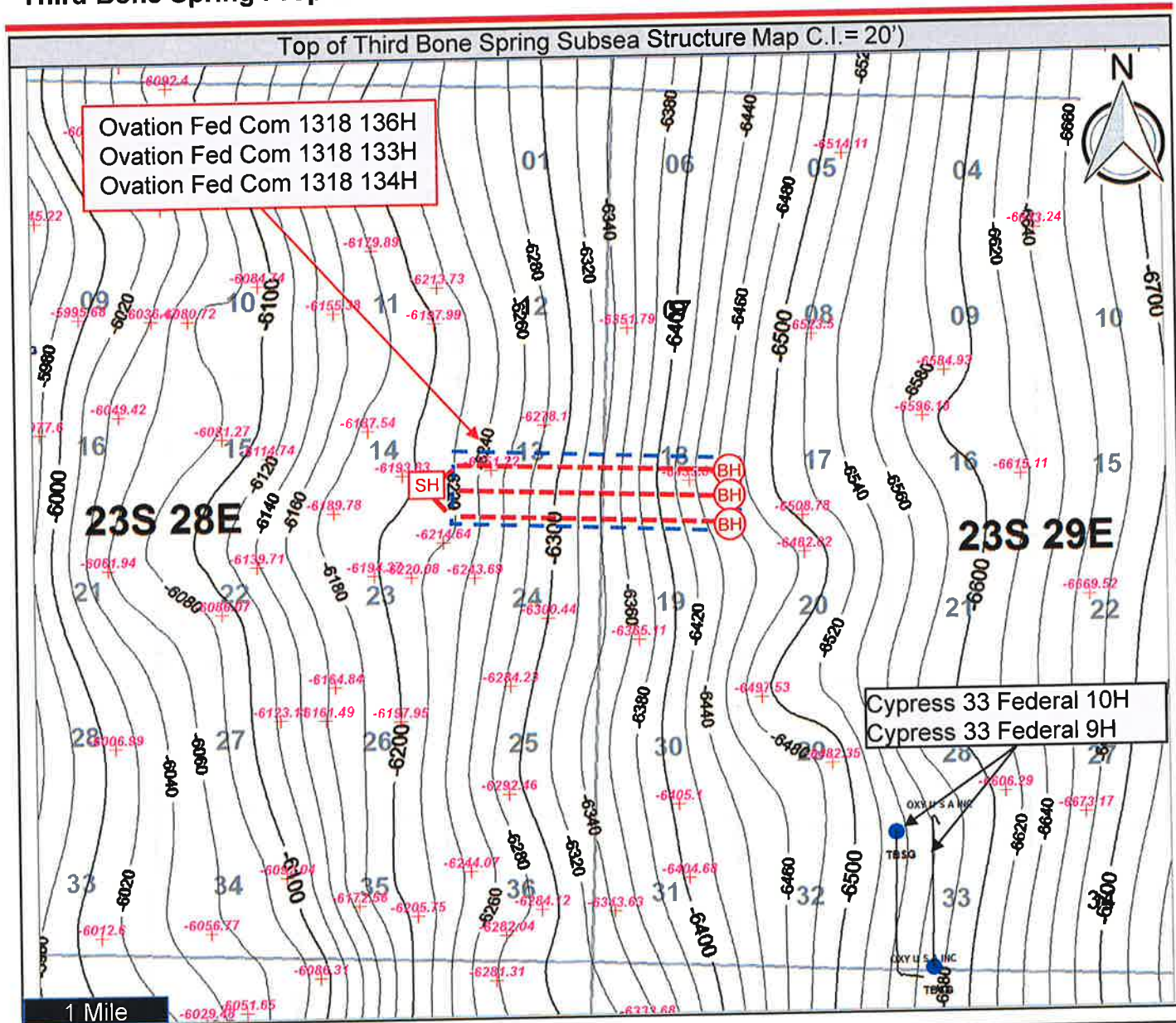
Sections 013-23S-28E and 18-23S-29E



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



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



Map Legend

- Spacing Units (640 ac.)
- SH Surface Hole Location
- Novo Horizontal Location
- BH Bottom Hole Location
- TBSG Horizontal Landing Target
- Third Bone Spring Producer
- + Datum value
- Third Bone Spring Subsea Structure
- Contour line – interval 20'
- A Cross Section Line A'

Hearing Details

Novo Oil & Gas Northern Delaware, LLC

Docket Number: 42-19

Case Number: 20888 & 20889

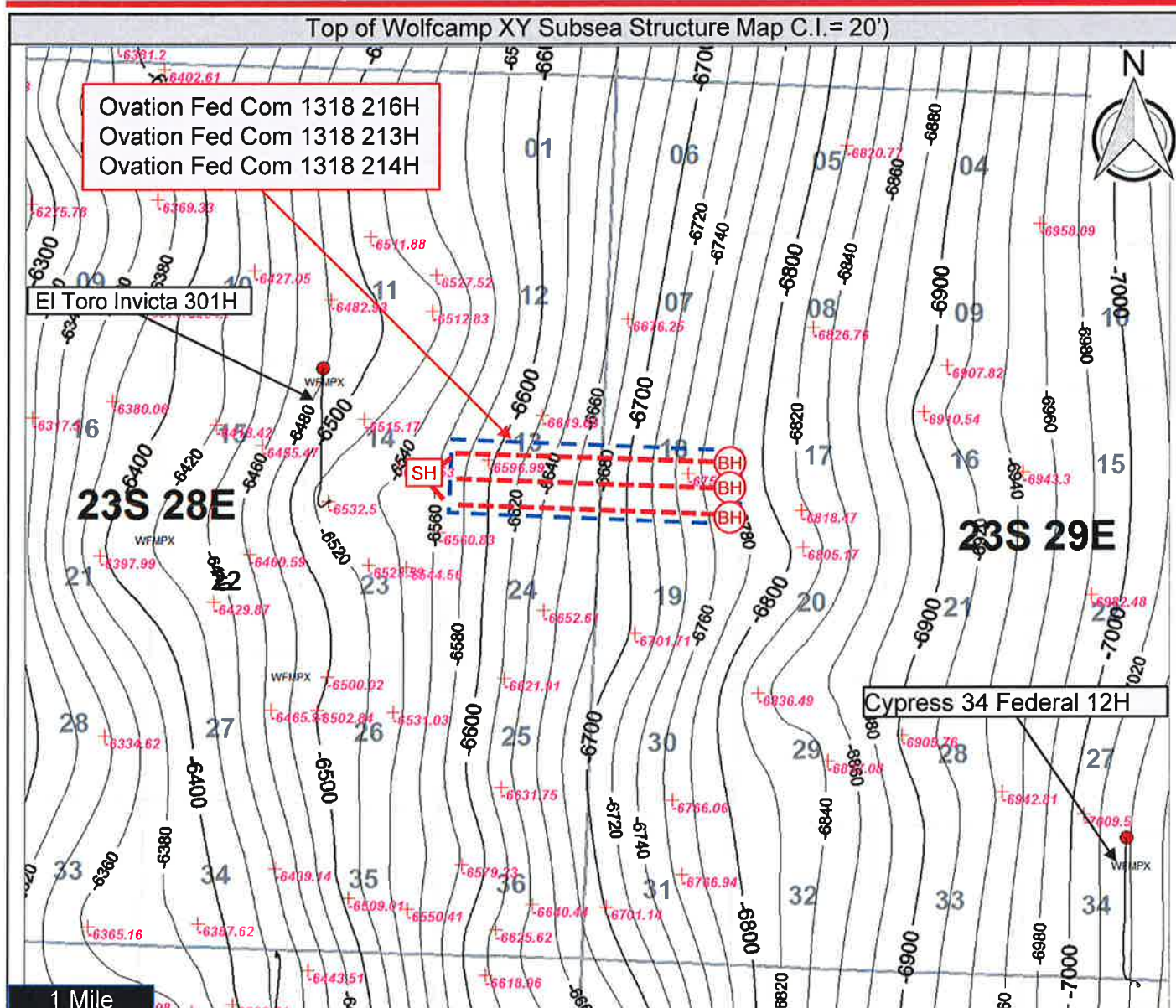
Date: November 14, 2019

Exhibit Number: B-3

Ovation Fed Com 1318: Top of Wolfcamp XY Structure Map



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



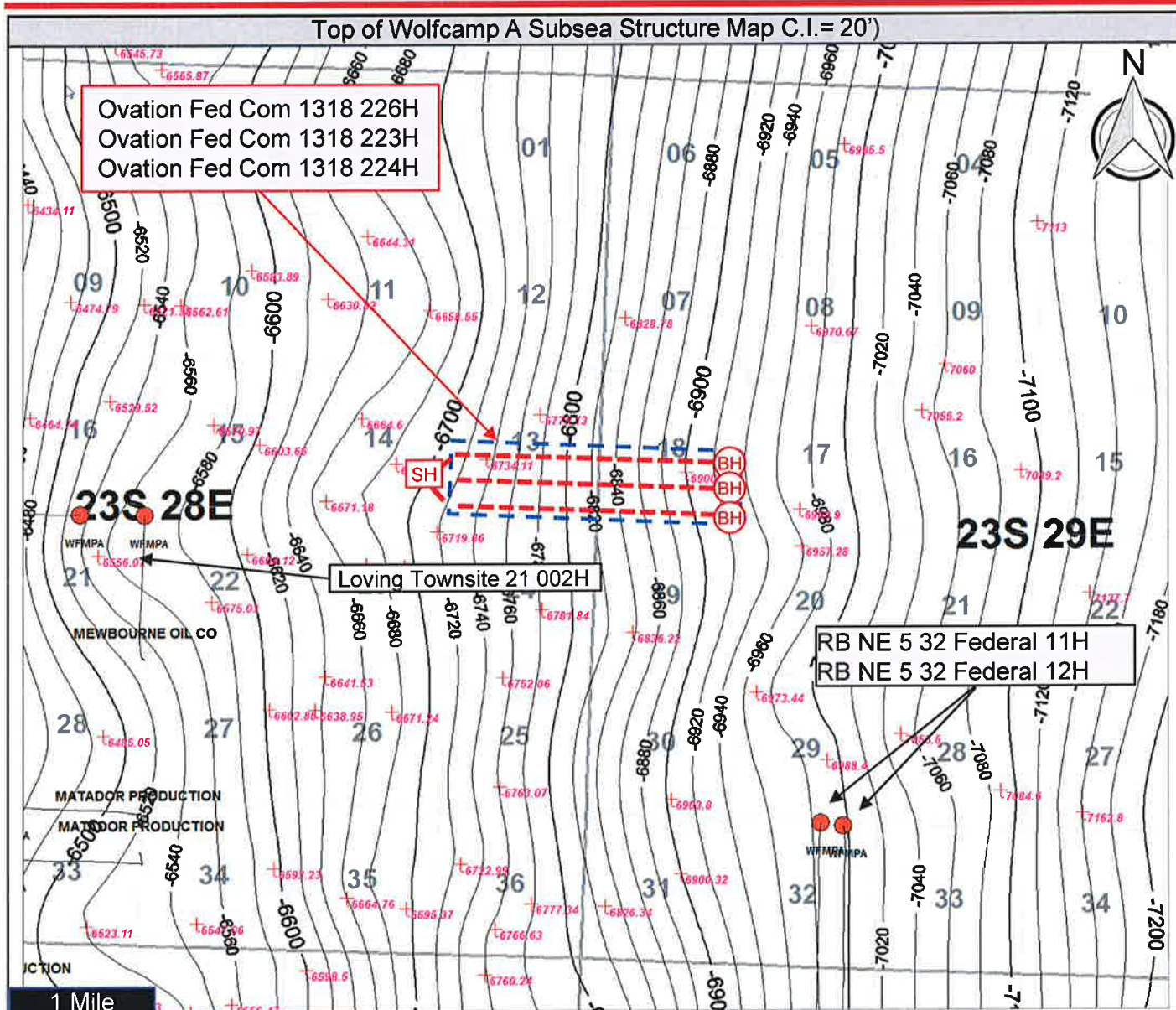
Map Legend	
	Spacing Units (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Horizontal Landing Target
	Wolfcamp XY Producer
	Datum value
	Wolfcamp XY Subsea Structure Contour line – interval 20'
	Cross Section Line

Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number: 42-19
Case Number: 20888 & 20889
Date: November 14, 2019
Exhibit Number: B-4

Ovation Fed Com 1318: Top of Wolfcamp A Structure Map



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

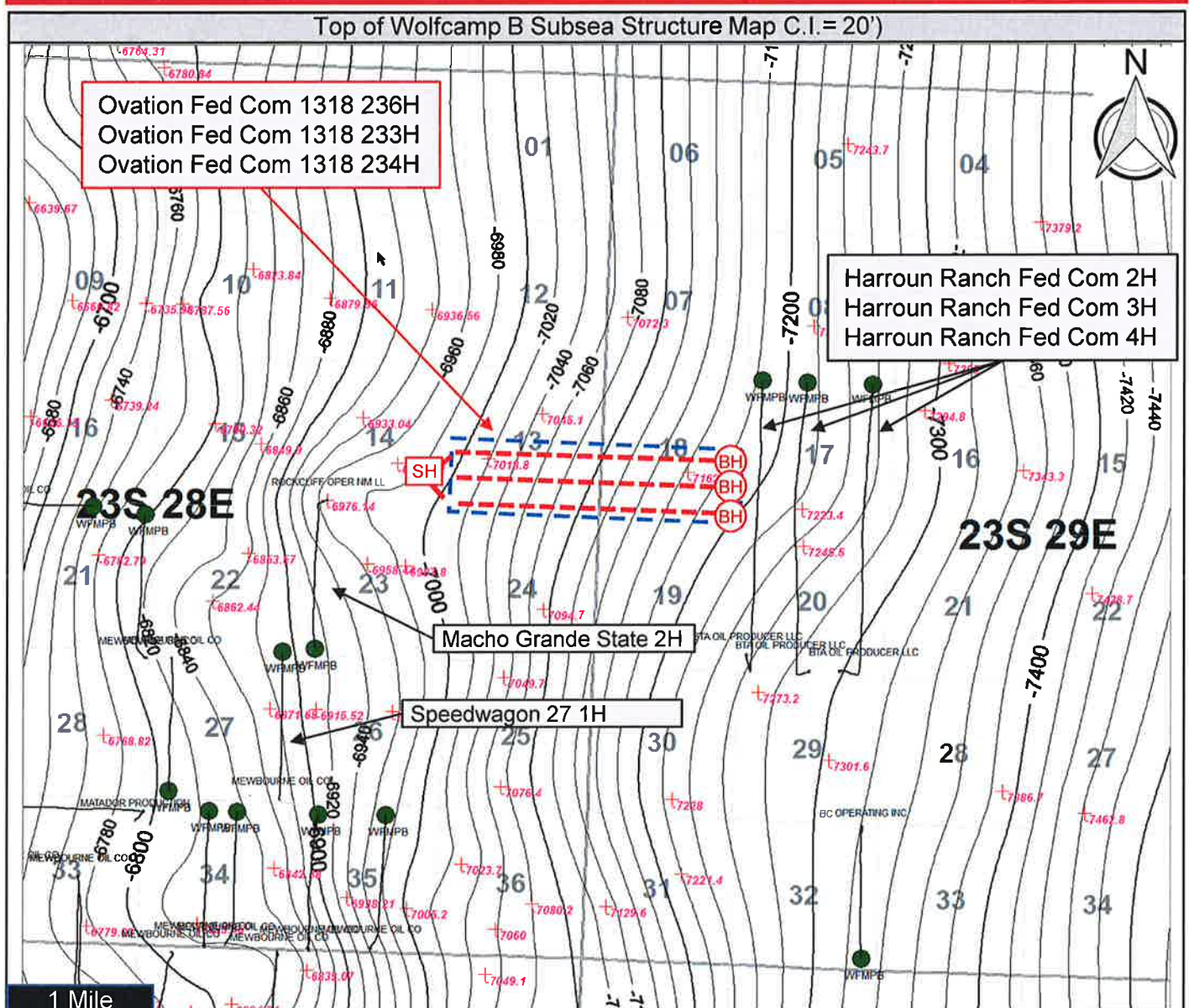


Map Legend		Hearing Details
Spacing Units (640 ac.)	Wolfcamp A Producer	Novo Oil & Gas Northern Delaware, LLC
Surface Hole Location	Datum value	Docket Number: 42-19
Novo Horizontal Location	Wolfcamp A Subsea Structure Contour line – interval 20'	Case Number: 20888 & 20889
Bottom Hole Location		Date: November 14, 2019
Horizontal Landing Target	Cross Section Line	Exhibit Number: B-5

Ovation Fed Com 1318: Top of Wolfcamp B Structure Map



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



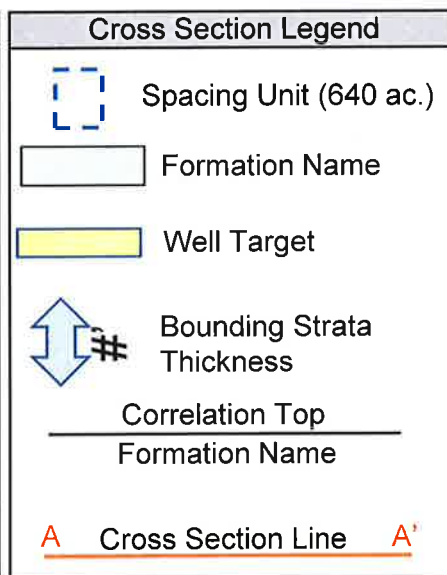
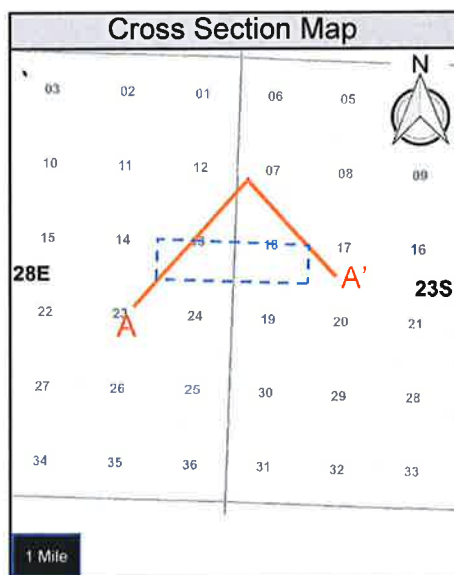
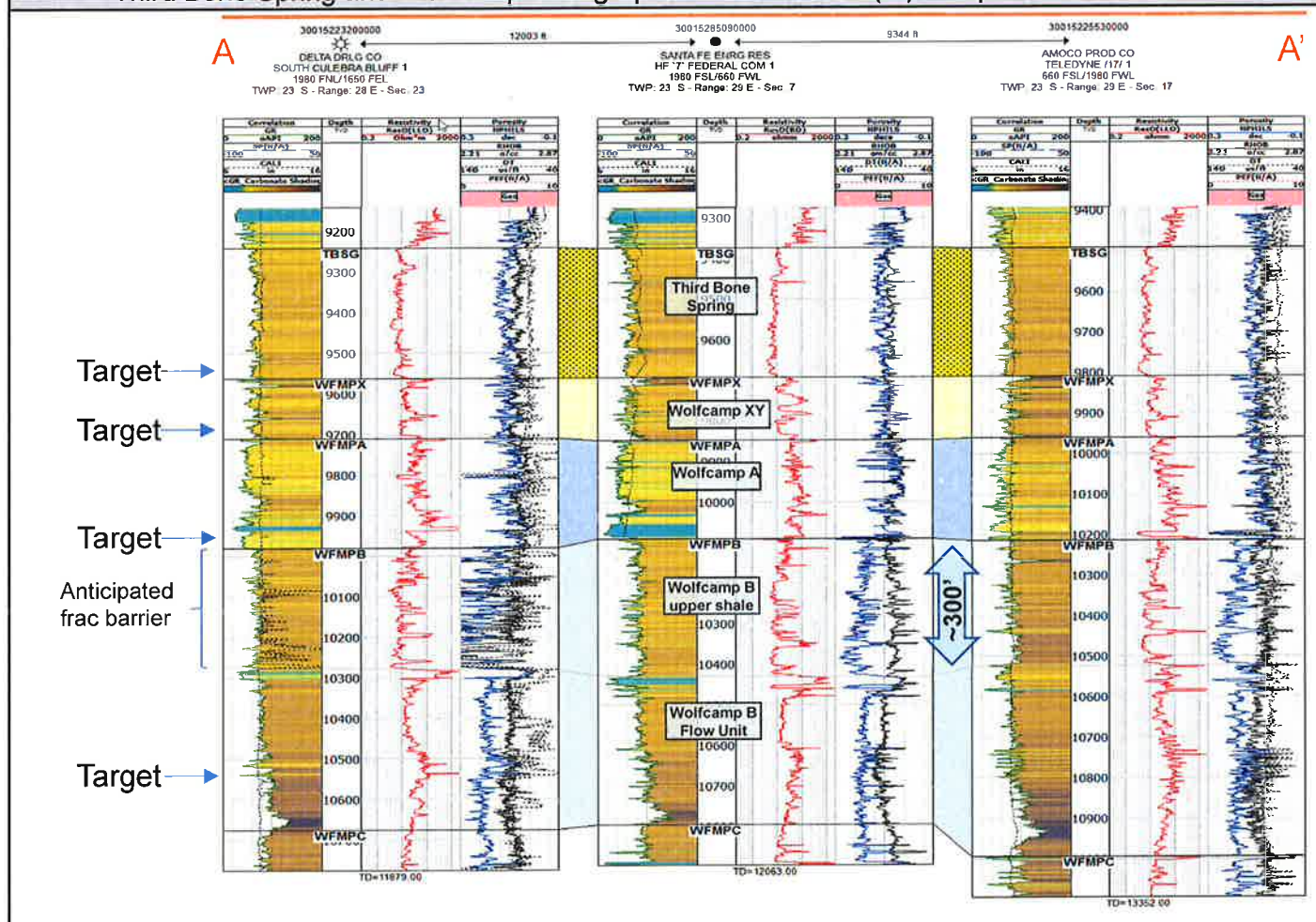
Map Legend		Hearing Details
	Spacing Units 640 ac.)	Novo Oil & Gas Northern Delaware, LLC Docket Number: 42-19 Case Number: 20888 & 20889 Date: November 14, 2019 Exhibit Number: B-6
	Surface Hole Location	
	Novo Horizontal Location	
	Bottom Hole Location	
	Horizontal Landing Target	
	Wolfcamp B Producer	
	Datum value	
	Wolfcamp B Subsea Structure Contour line – interval 20'	
	Cross Section Line A-A'	

Ovation Fed Com 1318– Third Bone Spring and Wolfcamp Stratigraphic Cross Section

Third Bone Spring, Wolfcamp XY, Wolfcamp A and Wolfcamp B Proposed Location, Section 013-23S-28E



Third Bone Spring and Wolfcamp Stratigraphic Cross Section (Ft) – Top of WFMPX Datum



Novo Oil & Gas Northern Delaware, LLC

Docket Number: 42-19

Case Number: 20888 & 20889

Date: November 14, 2019

Exhibit Number: B-7

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

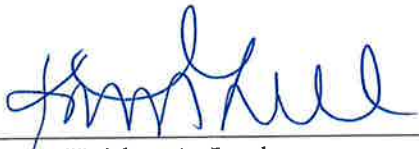
**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE, LLC FOR
COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

CASE NOS. 20888 & 20889

AFFIDAVIT

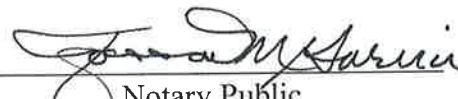
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

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




Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 13th day of November, 2019 by Kaitlyn A. Luck.



Notary Public

My Commission Expires:


August 24, 2021

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: **Novo Oil & Gas Northern Delaware**
Hearing Date: November 14, 2019
Case # 20888 & 20889

HOLLAND & HART



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico Board of
Legal Specification
mfeldewert@hollandhart.com

October 23, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

**Re: Application of Novo Oil & Gas Northern Delaware LLC for compulsory pooling, Eddy County, New Mexico.
Ovation Fed Com 1318 #133H, #134H, #136H 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 November 14, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices, located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from subsequently challenging this matter.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Justin Carter, at (405) 286-3375 or jcarter@novoog.com.

Sincerely,

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

HOLLAND & HART LLP



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico Board of
Legal Specification
mfeldewert@hollandhart.com

October 23, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware LLC for compulsory pooling, Eddy County, New Mexico.
Ovation Fed Com 1318 #213H, #214H, #216H, #223H, #224H, #226H, #233H, #234H, #236H 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 November 14, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices, located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from subsequently challenging this matter.

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If you have any questions about this matter, please contact Justin Carter, at (405) 286-3375 or jcarter@novooil.com.

Sincerely,

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

Novo - Ovation 133H-134H, 136H, 213H-214H, 216H, 223H-223H, 226H

Case Nos. 20888 20889 Postal Delivery Report

Tracking Number	Recipient	Status
921489019403839656588	Mark L Shidler 1313 Campbell Rd Bldg D Houston TX 77005	Delivered Signature Received
921489019403839656589	Westhall Oil & Gas LLC PO BOX 4 Loco Hills NM 88255	Delivered Signature Received
921489019403839656590	Don Paage Royalties 550 West Texas Ave Suite 800 Midland TX 79701	Delivered Signature Received
921489019403839656591	Robert H Northington 15250 Prestonwood Blvd 263 Dallas TX 75248-4791	Delivered Signature Received
921489019403839656592	H P McLish 1520 W Canal Ct Suite 250 Littleton CO 80120	Delivered Signature Received
921489019403839656593	Chase Hicks 111 Stoney Creek Lane Terrell TX 75160-5140	In-Transit
921489019403839656594	John Thomas 10117 Estate Lane Dallas TX 75238-2134	Delivered Signature Received
921489019403839656595	The Allar Co PO BOX 1567 Graham TX 76450	Delivered Signature Received
921489019403839656596	Talus Inc PO BOX 1210 Graham TX 76450	Delivered Signature Received
921489019403839656597	Twin Montana Inc PO BOX 1210 Graham TX 76450	Delivered Signature Received



$\$5.75 \times 10 = \57.50

Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Novo - Ovation Fed Com 1318 133H, 134H, 136H, 213H-214H,
216H, 223H-224H, 236H
Case Nos. 20888 & 20889
CM#104370.0001

Shipment Date: 10/23/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	10
Total	10

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0017 9069 98



[Handwritten signature]



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Priority Mail		Affix Stamp Here (If issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.											
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value If Registered	Insured Value	Due Sender If COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
1. 9214 8901 9403 8396 5658 88	Mark L Shider 1313 Campbell Rd Bldg O Houston TX 77005	0.65	3.50	Handling Charge - if Registered and over \$50,000 in value							1.60				
2. 9214 8901 9403 8396 5658 95	Westmar Oil & Gas LLC PO BOX 4 Loco Hills NM 88255	0.65	3.50								1.60				
3. 9214 8901 9403 8396 5659 01	Don Paege Royalties 550 West Texas Ave Suite 800 Midland TX 79701	0.65	3.50								1.60				
4. 9214 8901 9403 8396 5659 18	Robert H. Northington 15250 Prestonwood Blvd 263 Dallas TX 75248-4781	0.65	3.50												
5. 9214 8901 9403 8396 5659 25	H P McIlsh 1620 W Canal Ct Suite 250 Littleton CO 80120	0.65	3.50												
6. 9214 8901 9403 8396 5659 32	Chase Hicks 111 Stonew Creek Lane Terrell TX 75160-5140	0.65	3.50												
7. 9214 8901 9403 8396 5659 49	John Thomas 10117 Estate Lane Dallas TX 75238-2134	0.65	3.50												
8. 9214 8901 9403 8396 5659 56	The Allar Co PO BOX 1567 Graham TX 76450	0.65	3.50									1.60			
Total Number of Pieces Listed by Sender 10	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)													

Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.													
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender If COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
9.	9214 8901 9403 8396 5659 63	Falus Inc PO BOX 1210 Graham TX 78450		0.65	3.50	Handling Charge - if Registered and over \$50.00 in value							1.60				
10.	9214 8901 9403 8396 5659 70	Twin Montana Inc PO BOX 1210 Graham TX 78450		0.65	3.50	Handling Charge - if Registered and over \$50.00 in value							1.60				
Total Number of Pieces Listed by Sender		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)													

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0003867892

HOLLAND & HART
POBOX 2208

SANTA FE, NM 87504

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

October 29, 2019



Legal Clerk

Subscribed and sworn before me this October 29, 2019:



State of WI, County of Brown
NOTARY PUBLIC

8-25-23

My commission expires

SHELLY HORA
Notary Public
State of Wisconsin

Ad # 0003867892
PO #: 3867892
of Affidavits : 1

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **November 14, 2019**, in Porter Hall, the Oil Conservation Division Hearing Room, 1st Floor, Wendell Chino Building, 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **November 4, 2019**. Public documents, including the agenda and minutes, can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at www.emnrd.state.nm.us/OCD/. Please contact Ms. Davidson if a summary or other type of accessible form is needed.

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

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

To: All overriding royalty interest owners and pooled parties, including: Novo Oil & Gas Northern Delaware, LLC Mark L. Shidler, his heirs and devisees; Westhall Oil & Gas, LLC; Don Paage Royalties; Robert H. Northington, his heirs and devisees; H. P. McLish, his/her heirs and devisees; Chase Hicks, his heirs and devisees; John Thomas, his heirs and devisees; The Allar Co.; Talus, Inc., Twin Montana, Inc.

Case No. 20888: 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 interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 13, Township 23 South, Range 28 East, and the S/2 of Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be dedicated to the following proposed initial wells:

- The **Ovation Fed Com 1318 #133H Well** and the **Ovation Fed Com 1318 #134H Well**, both of which will be horizontally drilled from a common surface location in the SE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 18.

- The **Ovation Fed Com 1318 #136H Well** to be horizontally drilled from a surface location in the SE/4 of Section 14, T23S, R28E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 18.

The completed interval for the **Ovation Fed Com 1318 #133H Well** will remain within 330 feet of the N/2 S/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of the S/2 of Sections 13 and 18. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and the imposition of a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 3 miles east of Loving, New Mexico. #3867892, Current Argus, Oct. 29, 2019

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0003867916

HOLLAND & HART
POBOX 2208

SANTA FE, NM 87504

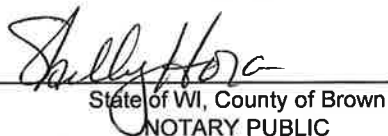
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Notary Public
State of Wisconsin

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Case No. 20889: 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 interests in the Wolfcamp formation underlying a standard 634.72-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 13, Township 23 South, Range 28 East, and the S/2 of Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit will be dedicated to the following proposed initial wells:

- The Ovation Fed Com 1318 #214H Well, the Ovation Fed Com 1318 #223H Well, the Ovation Fed Com 1318 #224H Well, the Ovation Fed Com 1318 #233H Well, and the Ovation Fed Com 1318 #234H Well, each of which will be horizontally drilled from a common surface location in the SE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 18.

- The Ovation Fed Com 1318 #213H Well, the Ovation Fed Com 1318 #216H Well, the Ovation Fed Com 1318 #226H Well, and the Ovation Fed Com 1318 #236H Well, each of which will be horizontally drilled from a common surface location in the SE/4 of Section 14, T23S, R28E, to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 18.

Also, to be considered will be the cost of drilling and completing the wells, the allocation of the costs thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and the imposition of a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 3 miles east of Loving, New Mexico.

#3867916, Current Argus, Oct. 29, 2019