BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING JULY 01, 2021

CASE Nos. 21974-21976

SATURNINUS FED COM 1510 121H
SATURNINUS FED COM 1510 131H WELL
SATURNINUS FED COM 1510 122H WELL
SATURNINUS FED COM 1510 132H
SATURNINUS FED COM 1510 211H-212H, 215H, 221H, 222H, 225H, 231H, 232H, 235H WELLS

EDDY COUNTY, NEW MEXICO



APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21209 & R-21209-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21974

(formerly Cases 21038, 21741)

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21210 & 21210-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21975

(formerly Cases 21039, 21742)

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21211 & R-21211-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21976

(formerly Cases 21040, 21743)

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 - o Novo Exhibit C-1: Pooling Orders
 - o Novo Exhibit C-2: C-102s
 - o Novo Exhibit C-3: Interest Owners Tract Map/Recap
 - o Novo Exhibit C-4: Bone Spring and Wolfcamp Units Recap
 - o Novo Exhibit C-5: Well Proposal Letters and AFEs
 - o Novo Exhibit C-6: Chronology of Contacts with Uncommitted Owners
- Novo Exhibit D: Notice Affidavit
- Novo Exhibit E: Affidavit of Publication for each case

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21974	APPLICANT'S RESPONSE
Date: July 1, 2021	
Applicant	Novo Oil & Gas Northern Delaware, LLC
Designated Operator & OGRID (affiliation if applicable)	372920
Applicant's Counsel:	Holland & Hart, LLP
Case Title	APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21209 & R-21209-A, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Saturninus wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Laguna Salado; Bone Spring Pool (Pool code 96721)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	240-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240-acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	North/South
Description: TRS/County BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Novo Oil & Gas, LLC Hearing Date: July 01, 2021 Case Nos. 21974-21976	W/2 SW/4 of Section 10, and the W/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes, only from a depth of 7,839 feet to the base of the Bone Spring formation
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract Released to Imaging: 6/30/2021 8:08:17 AM	Exhibit C-3

Received by OCD: 6/29/2021 5:56:15 PM	Page 5 of 1
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	See Case No. 21038
Spacing Unit Schematic	See Case No. 21038
Gunbarrel/Lateral Trajectory Schematic	See Case No. 21038
Well Orientation (with rationale)	See Case No. 21038
Target Formation	See Case No. 21038
HSU Cross Section	See Case No. 21038
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	See Case No. 21038
Well Bore Location Map	See Case No. 21038
Structure Contour Map - Subsea Depth	See Case No. 21038
Cross Section Location Map (including wells)	See Case No. 21038
Cross Section (including Landing Zone)	See Case No. 21038
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.
Drinted Name (Attauran on Best Description)	Maith as A. Locale
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	- NANIVILLA

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21975	APPLICANT'S RESPONSE
Date: July 1, 2021	
Applicant	Novo Oil & Gas Northern Delaware, LLC
Designated Operator & OGRID (affiliation if applicable)	372920
Applicant's Counsel:	Holland & Hart, LLP
Case Title	APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21210 & R-21210-A, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Saturninus wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Laguna Salado; Bone Spring Pool (Pool code 96721)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	240-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240-acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	North/South
Description: TRS/County	E/2 SW/4 of Section 10, and the E/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes, only from a depth of 7,839 feet to the base of the Bone Spring formation
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract Released to Imaging: 6/30/2021 8:08:17 AM	Exhibit C-3

Received by OCD: 6/29/2021 5:56:15 PM	Page 8 of 1
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	See Case No. 21038
Spacing Unit Schematic	See Case No. 21038
Gunbarrel/Lateral Trajectory Schematic	See Case No. 21038
Well Orientation (with rationale)	See Case No. 21038
Target Formation	See Case No. 21038
HSU Cross Section	See Case No. 21038
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	See Case No. 21038
Well Bore Location Map	See Case No. 21038
Structure Contour Map - Subsea Depth	See Case No. 21038
Cross Section Location Map (including wells)	See Case No. 21038
Cross Section (including Landing Zone)	See Case No. 21038
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information prov	ided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	And Ill

ALL INFORMATION IN THE APPLICATION MUST BE Case: 21976	APPLICANT'S RESPONSE
	APPLICANT 3 RESPONSE
Date: July 1, 2021	Neve Oil 9 Cas North are Delaware 11 C
Applicant	Novo Oil & Gas Northern Delaware, LLC
Designated Operator & OGRID (affiliation if applicable)	372920
Applicant's Counsel: Case Title	Holland & Hart, LLP APPLICATION OF NOVO OIL & GAS
ease mic	NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21211 & R-21211-A, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Saturninus wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Names and Pool Codes:	
oor names and 1 oor codes.	Purple Sage-Wolfcamp Gas Pool [98220]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	480-acres, more or less
Spacing Unit Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480-acres, more or less
Building Blocks:	quarter sections
	<u> </u>
Orientation: Description: TRS/County	North/South SW/4 of Section 10, and the W/2 of Section 15,
	Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s) Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Saturninus Fed Com 1510 #211H well (API No. 30-015-pending) SHL:261 feet from the South line and 460 feet from the West line, (Uni M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 330 feet from the West line, (Ut L) of Section 10, Township 23 South, Range 29 East, NMPM. Completion Target: Wolfcamp
	Well Orientation:north/south Completion Location expected to be:standard

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Well #2	Saturninus Fed Com 1510 #212H well (API No. 30-015-pending) SHL:252 feet from the South line and 499 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 1122 feet from the West line, (Unit L) of Section 10, Township 23 South, Range 29 East, NMPM. Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard
Well #3	Saturninus Fed Com 1510 #215H well (API No. 30-015-pending) SHL:238 feet from the South line and 557 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 1914 feet from the West line, (Unit K) of Section 10, Township 23 South, Range 29 East, NMPM. Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard
Well #4	Saturninus Fed Com 1510 #221H well (API No. 30-015-pending) SHL:256 feet from the South line and 479 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 726 feet from the West line, (Unit K) of Section 10, Township 23 South, Range 29 East, NMPM. Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard
Well #5	Saturninus Fed Com 1510 #222H well (API No. 30-015-pending) SHL:247 feet from the South line and 518 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 1518 feet from the West line, (Unit K) of Section 10, Township 23 South, Range 29 East, NMPM. Completion Target: Wolfcamp
	Well Orientation:north/south Completion Location expected to be:standard
Well #6	Saturninus Fed Com 1510 #225H well (API No. 30-015-pending) SHL:233 feet from the South line and 557 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 2310 feet from the West line, (Unit K) of Section 10, Township 23 South, Range 29 East, NMPM. Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard
Well #7	Saturninus Fed Com 1510 #231H well (API No. 30-015-pending) SHL:200 feet from the South line and 718 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 330 feet from the West line, (Unit L) of Section 10, Township 23 South, Range 29 East, NMPM.
	Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard
Well #8	Saturninus Fed Com 1510 #232H well (API No. 30-015-pending) SHL:191 feet from the South line and 757 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 1122 feet from the West line, (Unit L) of Section 10, Township 23 South, Range 29 East, NMPM.
	Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard
Well #9	Saturninus Fed Com 1510 #235H well (API No. 30-015-pending) SHL:182 feet from the South line and 796 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL:2510 feet from the South line and 1914 feet from the West line, (Unit K) of Section 10, Township 23 South, Range 29 East, NMPM.
	Completion Target: Wolfcamp Well Orientation:north/south Completion Location expected to be:standard

Completion Target (Formation, TVD and MD)	Exhibit C-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit E
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	Exhibit 6 3
Summary (including special considerations)	See Case No. 21038
Spacing Unit Schematic	See Case No. 21038
Gunbarrel/Lateral Trajectory Schematic	See Case No. 21038
Well Orientation (with rationale)	See Case No. 21038
Target Formation	See Case No. 21038
HSU Cross Section	See Case No. 21038
Depth Severance Discussion	N/A
Forms, Figures and Tables	IN/A
	Fubilitie C 2
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	See Case No. 21038
Well Bore Location Map	See Case No. 21038
Structure Contour Map - Subsea Depth	See Case No. 21038
Cross Section Location Map (including wells)	See Case No. 21038
Cross Section (including Landing Zone) Additional Information	See Case No. 21038
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided	in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21209 & R-21209-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21974

APPLICATION

Novo Oil & Gas Northern Delaware, LLC ("Novo" or "Applicant") (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order Nos. R-21209 and R-21209-A ("Orders") to approve a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 10, and the W/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and pooling all interests under the terms of the Orders. In support of its application, Novo states:

- 1. Division Order No. R-21209, entered on April 9, 2020, in Case No. 21038, created a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Novo as operator of the Unit.
- 2. Order No. R-21209 further pooled the uncommitted interests in the Bone Spring formation, only from a depth of 7,839 feet to the base of the Bone Spring formation, in the Laguna Salado; Bone Spring pool [96721], in the Unit and dedicated the Unit to the following proposed initial wells: (1) the **Saturninus Fed Com 1510 #121H well** (API No. 30-015-pending), and (2) the **Saturninus Fed Com 1510 #131H well** (API No. 30-015-pending).
- 3. Order No. R-21209-A entered on April 13, 2021 extended the drilling deadline under the Orders to April 9, 2022.

 BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. B
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

Released to Imaging: 6/30/2021 8:08:17 AM

- 4. Applicant requests that the Orders be re-opened and the approved spacing unit under the order be amended.
- 5. Since the entry of Orders, Applicant has determined it is prudent to drill mile and a half wells in this spacing unit, rather than the two-mile wells initially proposed.
- 6. For that reason, Applicant now seeks to dedicate the standard horizontal spacing unit underlying the W/2 SW/4 of Section 10, and the W/2 W/2 of Section 15 to the proposed initial wells.
- 7. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
- 8. Approval of this application is in the best interest of conservation, the prevention of waste, and the protection of correlative rights.
- 9. In order to protect correlative rights and to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this standard spacing unit should be pooled, and Applicant should be designated the operator of the initial horizontal well and standard spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 1, 2021, and, after notice and hearing as required by law, the Division enter an order approving the amended spacing unit.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
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mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR NOVO OIL & GAS NORTHERN DELAWARE, LLC

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21210 & 21210-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21975

APPLICATION

Novo Oil & Gas Northern Delaware, LLC ("Novo" or "Applicant") (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order Nos. R-21210 and R-21210-A ("Orders") to approve a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 10, and the E/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and pooling all interests under the terms of the Orders. In support of its application, Novo states:

- 1. Division Order No. R-21210, entered on April 9, 2020, in Case No. 21039, created a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Novo as operator of the Unit.
- 2. Order No. R-21210 further pooled the uncommitted interests in the Bone Spring formation, only from a depth of 7,839 feet to the base of the Bone Spring formation, in the Laguna Salado; Bone Spring pool [96721], in the Unit and dedicated the Unit to the following proposed initial wells: (1) the **Saturninus Fed Com 1510 #122H well** (API No. 30-015-pending), and (2) the **Saturninus Fed Com 1510 #132H well** (API No. 30-015-pending).
- 3. Order No. R-21210-A entered on April 13, 2021 extended the drilling deadline under the Orders to April 9, 2022.

- 4. Applicant requests that the Orders be re-opened and the approved spacing unit under the order be amended.
- 5. Since the entry of Orders, Applicant has determined it is prudent to drill mile and a half wells in this spacing unit, rather than the two-mile wells initially proposed.
- 6. For that reason, Applicant now seeks to dedicate the standard horizontal spacing unit underlying the E/2 SW/4 of Section 10, and the E/2 W/2 of Section 15 to the proposed initial wells.
- 7. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
- 8. Approval of this application is in the best interest of conservation, the prevention of waste, and the protection of correlative rights.
- 9. In order to protect correlative rights and to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this standard spacing unit should be pooled, and Applicant should be designated the operator of the initial horizontal well and standard spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 1, 2021, and, after notice and hearing as required by law, the Division enter an order approving the amended spacing unit.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
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kaluck@hollandhart.com

ATTORNEYS FOR NOVO OIL & GAS NORTHERN DELAWARE, LLC

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21211 & R-21211-A, EDDY COUNTY, NEW MEXICO.

CASE NO. <u>21976</u>

APPLICATION

Novo Oil & Gas Northern Delaware, LLC ("Novo" or "Applicant") (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order Nos. R-21211 and 21211-A ("Orders") to approve a standard 480-acre, more or less, horizontal spacing unit comprised of the SW/4 of Section 10, and the W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and pooling all interests under the terms of the Orders. In support of its application, Novo states:

- 1. Division Order No. R-21211, entered on April 9, 2020, in Case No. 21040, created a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Novo as operator of the Unit.
- 2. Order No. R-21211 further pooled the uncommitted interests in the Wolfcamp formation in the (Purple Sage-Wolfcamp Gas Pool [98220], in the Unit and dedicated the Unit to the following proposed initial wells: (1) the Saturninus Fed Com 1510 #211H well (API No. 30-015-pending), (2) the Saturninus Fed Com 1510 #212H well (API No. 30-015-pending), (3) the Saturninus Fed Com 1510 #221H well (API No. 30-015-pending), (4) the Saturninus Fed Com 1510 #231H well (API No. 30-015-pending), (5) the Saturninus Fed Com 1510 #232H well (API No. 30-015-pending), (6) the Saturninus Fed Com 1510

#215H well (API No. 30-015-pending), (7) the Saturninus Fed Com 1510 #222H well (API No. 30-015-pending), (8) the Saturninus Fed Com 1510 #225H well (API No. 30-015-pending), and (9) the Saturninus Fed Com 1510 #235H well (API No. 30-015-pending).

- 3. Applicant requests that the Orders be re-opened and the approved spacing unit under the order be amended.
- 4. Since the entry of Orders, Applicant has determined it is prudent to drill mile and a half wells in this spacing unit, rather than the two-mile wells initially proposed.
- 5. For that reason, Applicant now seeks to dedicate the standard horizontal spacing unit underlying the SW/4 of Section 10, and the W/2 of Section 15 to the proposed initial wells.
- 6. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.
- 7. Approval of this application is in the best interest of conservation, the prevention of waste, and the protection of correlative rights.
- 8. In order to protect correlative rights and to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this standard spacing unit should be pooled, and Applicant should be designated the operator of the initial horizontal well and standard spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 1, 2021, and, after notice and hearing as required by law, the Division enter an order approving the amended spacing unit.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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kaluck@hollandhart.com

ATTORNEYS FOR NOVO OIL & GAS NORTHERN DELAWARE, LLC

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21209 & R-21209-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21974 (formerly Cases 21038, 21741)

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21210 & 21210-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21975 (formerly Cases 21039, 21742)

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21211 & R-21211-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21976 (formerly Cases 21040, 21743)

AFFIDAVIT OF BRANDON PATRICK IN SUPPORT OF CASE NOS. 21974-21976

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.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

- 3. I am familiar with the applications filed by Novo in Case Nos. 21974, 21975, and 21976, and I am familiar with the status of the lands in the subject area.
- 4. In each of these cases, Novo initially applied for and received approval of standard horizontal spacing units for the development of two-mile horizontal wells, under the terms of Division Order Nos. R-21209, R-21209-A, R-21210, R-21210-A, R-21211, R-21211-A, which are attached as **Novo Exhibit C-1**. Since the entry of Division Order Nos. R-21209, R-21209-A, R-21210, R-21210-A, R-21211, R-21211-A, Novo has determined it is prudent to request approval of smaller spacing units to allow for the development of a mile and a half horizontal wells, and the tract that Novo is excluding from the development in the NW/4 of Section 10 is owned 100% by Novo. In the NW/4 of Section 10, Novo Minerals, LP owns the minerals, and Novo Oil & Gas Northern Delaware, LLC owns the lease covering those minerals. There are no overriding royalty interest owners in the NW/4 of Section 10.
- 5. None of the uncommitted parties has indicated opposition to these pooling applications, and I do not expect any opposition at the hearing to presenting these cases by affidavits.
- 6. In Case No. 21974, Novo seeks to amend Order Nos. R-21209 and R-21209-A to allow for a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 10, and the W/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, under the terms of the orders.
- 7. Order No. R-21209, entered on April 9, 2020, in Case No. 21038, created a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and designated Novo as operator of the unit. Order No. R-21209 pooled the uncommitted interests in a portion of the Bone

Spring formation (Laguna Salado; Bone Spring pool [96721]), only from a depth of 7,839 feet to the base of the Bone Spring formation, and dedicated the unit to the proposed initial wells: (1) the Saturninus Fed Com 1510 #121H well (API No. 30-015-pending), and (2) the Saturninus Fed Com 1510 #131H well (API No. 30-015-pending).

- 8. Order No. R-21209-A entered on April 13, 2021 extended the drilling deadline under the Orders to April 9, 2022.
- 9. Since the entry of Order No. R-21209 and R-21209-A, Novo has determined that it is prudent to exclude the W/2 NW/4 of Section 10 from this standard horizontal spacing unit to allow for the drilling of mile and a half wells.
- 10. In Case No. 21975, Novo seeks to amend Order Nos. R-21210 and R-21210-A to allow for a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 10, and the E/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, under the terms of the orders.
- 11. Order No. R-21210, entered on April 9, 2020, in Case No. 21039, created a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 10 and 15, and designated Novo as operator of the unit.
- 12. Order No. R-21210 further pooled the uncommitted interests in the Bone Spring formation (Laguna Salado; Bone Spring pool [96721]), only from a depth of 7,839 feet to the base of the Bone Spring formation, in the unit and dedicated the unit to the following proposed initial wells: (1) the **Saturninus Fed Com 1510 #122H well** (API No. 30-015-pending), and (2) the **Saturninus Fed Com 1510 #132H well** (API No. 30-015-pending).
- 13. Order No. R-21210-A entered on April 13, 2021 extended the drilling deadline under the Orders to April 9, 2022.

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- 14. Since the entry of Order No. R-21210 and R-21210-A, Novo has determined that it is prudent to exclude the E/2 NW/4 of Section 10 from this standard horizontal spacing unit to allow for the drilling of mile and a half wells.
- 15. In Case No. 21976, Novo seeks to amend Order Nos. R-21211 and 21211-A to approve a standard 480-acre, more or less, horizontal spacing unit comprised of the SW/4 of Section 10, and the W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, under the terms of the orders.
- 16. Order No. R-21211, entered on April 9, 2020, in Case No. 21040, created a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 10 and 15, and designated Novo as operator of the unit.
- 17. Order No. R-21211 further pooled the uncommitted interests in the Wolfcamp formation in the (Purple Sage-Wolfcamp Gas Pool [98220]), in the unit and dedicated the unit to the following proposed initial wells: (1) the Saturninus Fed Com 1510 #211H well (API No. 30-015-pending), (2) the Saturninus Fed Com 1510 #212H well (API No. 30-015-pending), (3) the Saturninus Fed Com 1510 #221H well (API No. 30-015-pending), (4) the Saturninus Fed Com 1510 #231H well (API No. 30-015-pending), (5) the Saturninus Fed Com 1510 #232H well (API No. 30-015-pending), (6) the Saturninus Fed Com 1510 #222H well (API No. 30-015-pending), (7) the Saturninus Fed Com 1510 #222H well (API No. 30-015-pending), (8) the Saturninus Fed Com 1510 #225H well (API No. 30-015-pending), and (9) the Saturninus Fed Com 1510 #235H well (API No. 30-015-pending).
- 18. Order No. R-21211-A entered on April 13, 2021 extended the drilling deadline under the Orders to April 9, 2022.

- 19. Since the entry of Order No. R-21211 and R-21211-A, Novo has determined that it is prudent to exclude the NW/4 of Section 10 from this standard horizontal spacing unit to allow for the drilling of mile and a half wells.
- 20. Novo has prepared draft Form C-102s to file with the Division for the proposed wells in both Case Nos. 21974, 21975, and 21976, which are attached to this affidavit as Novo Exhibit C-2.
- 21. **Novo Exhibit C-3** identifies the tracts of land comprising the proposed horizontal spacing units in **Case Nos. 21974, 21975**, and **21976** that include both fee and federal lands. This exhibit shows the working interest owners that Novo seeks to pool under the terms of the existing orders into this smaller standard spacing unit, and provides a tract recapitulation. There are no unleased interests in this acreage. **Novo Exhibit C-3** also identifies the overriding royalty interest owners by tract that Novo seeks to pool in **Case Nos. 21974, 21975**, and **21976**.
- 22. **Novo Exhibit C-4** provides a recapitulation showing the percentage of each interest in the proposed spacing units in **Case Nos. 21974, 21975,** and **21976**. There is a depth severance in the Bone Spring formation underlying this acreage and the offsetting interest owners were provided notice of each of the Bone Spring applications. There is not a depth severance in the Wolfcamp formation underlying this acreage.
- 23. A copy of the well proposal letter for the wells in Case Nos. 21974, 21975, and 21976, along with the corresponding AFEs, is attached as Novo Exhibit C-5. The costs reflected in the AFEs attached as Novo Exhibit C-5 are consistent with what Novo and other operators have incurred for drilling similar horizontal wells in the area.
- 24. 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. 21974, 21975, and 21976. Exhibit C-6 contains a summary chronology of many of Novo's contacts with the uncommitted working interest owners that Novo seeks to pool in the smaller standard spacing units in these cases. In my opinion, Novo has undertaken good faith efforts to reach an agreement with the uncommitted interest owners in Case Nos. 21974, 21975, and 21976.

- 25. For Case Nos. 21974, 21975, and 21976, 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.
- 26. Novo requests that all remaining provisions of Division Order Nos. R-21209, R-21210, and R-21211, remain in effect.
- 27. **Novo Exhibits C-1** through **C-6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

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	Bhu Bt
	BRANDON PATRICK
STATE OF OKLAHOMA)
COUNTY OF OKLAHOMA)
SUBSCRIBED and SWORN	to before me this 29 th day of June 2021 by
Brandon Patrick.	
# 20005966 EXP. 05/22/24	Swar Com
OF OKLUM	NOTARY PUBLIC
My Commission Expires:	

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 21038 ORDER NO. R-21209

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 20th, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above during which Operator presented evidence in support of the Application and its intention to utilize a "wine-rack" pattern for the spacing unit's proposed wells. Titus Oil & Gas Production, LLC ("Titus") submitted competing Applications (Case Nos. 20833 and 20835) which were withdrawn prior to hearing. Titus nevertheless appeared at hearing to present evidence taking exception to Operator's drilling plan and the number of wells proposed for the spacing unit, which it argued were too many and would result in waste.
- 6. Operator seeks a depth severance as described in Exhibit A

CONCLUSIONS OF LAW

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

- 7. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 8. Operator is the owner of an oil and gas working interest within the Unit.
- 9. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 10. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 11. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 12. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 13. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit. Operator seeks approval of a spacing unit, not a specific drilling program or wells; Operator's proposed drilling plan and wells are, by definition, subject to change and may not be drilled at all. The competing cases of Titus Oil & Gas Production, LLC have been withdrawn; the evidence presented at hearing is not sufficient to deny granting Operator's Application.
- 14. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 15. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 16. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 17. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 18. Operator is designated as operator of the Unit and the Well(s).
- 19. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.

- 21. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 23. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."

- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and

abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.

4/09/2020

36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

Date: _____

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

DIRECTOR AES/kms

EXHIBIT "A"

Applicant: Novo Oil & Gas Northern Delaware, LLC

Operator: Novo Oil & Gas Northern Delaware, LLC (OGRID 372920)

Spacing Unit: <u>Horizontal Oil</u>

Building Blocks: <u>quarter-quarter sections</u>
Spacing Unit Size: <u>320 acres (more or less)</u>

Orientation of Unit: North/South

Spacing Unit Description:

W/2 W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County,

New Mexico

Pooling this Vertical Extent: Bone Spring Formation, excluding First Bone Spring

Interval, from a depth of 7,839 feet to the base of the Bone

Spring formation

Depth Severance? (Yes/No): Yes, in the Bone Spring formation at 7,839 in the S/2 of the

SW/4 of Section 10

Pool: <u>Laguna Salado</u>; Bone Spring Pool (96721)

Pool Spacing Unit Size: <u>quarter-quarter sections</u>

Governing Well Setbacks: <u>Horizontal Oil Well Rules Apply</u>
Pool Rules: <u>Horizontal Well Rules Apply</u>

Proximity Tracts: No

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Saturninus Fed Com 1510 Well No. 121H, API No. 30-015-Pending

SHL: 243 feet from the South line and 543 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 50 feet from the North line and 330 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Bone Spring Formation at approx 8,696 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 131H, API No. 30-015-Pending

SHL: 234 feet from the South line and 581 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM.

CASE NO. 21038 ORDER NO. R-21209

Page **6** of **7**

BHL: 50 feet from the North line and 330 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Bone Spring Formation at approx 9,916 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 21741 ORDER NO. R-21209-A

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") requesting an extension to drill the well(s) as required by Order R-21209.
- 2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
- 3. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 5. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 6. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

- 7. The period to drill the well is extended until April 9, 2022.
- 8. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend Order R-21209 for good cause shown.
- 9. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

10. The remaining provisions of Order R-21209 remain in force or effect.

Date: 4/13/2021

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

CASE NO. 21741 ORDER NO. R-21209-A

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 21039 ORDER NO. R-21210

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 20th, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above during which Operator presented evidence in support of the Application and its intention to utilize a "wine-rack" pattern for the spacing unit's proposed wells. Titus Oil & Gas Production, LLC ("Titus") submitted competing Applications (Case Nos. 20833 and 20835) which were withdrawn prior to hearing. Titus nevertheless appeared at hearing to present evidence taking exception to Operator's drilling plan and the number of wells proposed for the spacing unit, which it argued were too many and would result in waste.
- 6. Operator seeks a depth severance as described in Exhibit A

CONCLUSIONS OF LAW

- 7. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 8. Operator is the owner of an oil and gas working interest within the Unit.
- 9. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 10. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 11. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 12. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 13. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit. Operator seeks approval of a spacing unit, not a specific drilling program or wells; Operator's proposed drilling plan and wells are, by definition, subject to change and may not be drilled at all. The competing cases of Titus Oil & Gas Production, LLC have been withdrawn; the evidence presented at hearing is not sufficient to deny granting Operator's Application.
- 14. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 15. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 16. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 17. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 18. Operator is designated as operator of the Unit and the Well(s).
- 19. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.

- 21. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 23. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."

- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and

abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.

Date: _____4/09/2020

36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/kms

EXHIBIT "A"

Applicant: Novo Oil & Gas Northern Delaware, LLC

Operator: Novo Oil & Gas Northern Delaware, LLC (OGRID 372920)

Spacing Unit: <u>Horizontal Oil</u>

Building Blocks: <u>quarter-quarter sections</u>
Spacing Unit Size: <u>320 acres (more or less)</u>

Orientation of Unit: North/South

Spacing Unit Description:

E/2 W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County,

New Mexico

Pooling this Vertical Extent: Bone Spring Formation, excluding First Bone Spring

Interval, from a depth of 7,839 feet to the base of the Bone

Spring formation

Depth Severance? (Yes/No): Yes, in the Bone Spring formation at 7,839 in the S/2 of the

SW/4 of Section 10

Pool: <u>Laguna Salado</u>; Bone Spring Pool (96721)

Pool Spacing Unit Size: <u>quarter-quarter sections</u>

Governing Well Setbacks: <u>Horizontal Oil Well Rules Apply</u>
Pool Rules: <u>Horizontal Well Rules Apply</u>

Proximity Tracts: No

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Saturninus Fed Com 1510 Well No. 122H, API No. 30-015-Pending

SHL: 239 feet from the South line and 562 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 50 feet from the North line and 1870 feet from the West line, (Unit C) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Bone Spring Formation at approx 8,731 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 132H, API No. 30-015-Pending

SHL: 229 feet from the South line and 601 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM.

CASE NO. 21039 ORDER NO. R-21210

Page **6** of **7**

BHL: 50 feet from the North line and 1870 feet from the West line, (Unit C) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Bone Spring Formation at approx 9,936 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 21742 ORDER NO. R-21210-A

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") requesting an extension to drill the well(s) as required by Order R-21210.
- 2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
- 3. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 5. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 6. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

- 7. The period to drill the well is extended until April 9, 2022.
- 8. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend Order R-21210 for good cause shown.
- 9. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

10. The remaining provisions of Order R-21210 remain in force or effect.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 4/13/2021

CASE NO. 21742 ORDER NO. R-21210-A

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 21040 ORDER NO. R-21211

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 20th, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above during which Operator presented evidence in support of the Application and its intention to utilize a "wine-rack" pattern for the spacing unit's proposed wells. Titus Oil & Gas Production, LLC ("Titus") submitted competing Applications (Case Nos. 20833 and 20835) which were withdrawn prior to hearing. Titus nevertheless appeared at hearing to present evidence taking exception to Operator's drilling plan and the number of wells proposed for the spacing unit, which it argued were too many and would result in waste.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.

- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit. Operator seeks approval of a spacing unit, not a specific drilling program or wells; Operator's proposed drilling plan and wells are, by definition, subject to change and may not be drilled at all. The competing cases of Titus Oil & Gas Production, LLC have been withdrawn; the evidence presented at hearing is not sufficient to deny granting Operator's Application.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.

- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not

include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

CASE NO. 21040 ORDER NO. R-21211

Page **4** of **8**

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date: 4/09/2020

ADRIENNE SANDOVAL DIRECTOR

AES/kms

EXHIBIT "A"

Applicant: Novo Oil & Gas Northern Delaware, LLC

Operator: Novo Oil & Gas Northern Delaware, LLC (OGRID 372920)

Spacing Unit: <u>Horizontal Gas</u>

Building Blocks: <u>Half Section Equivalents</u>
Spacing Unit Size: <u>640 acres (more or less)</u>

Orientation of Unit: North/South

Spacing Unit Description:

W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County,

New Mexico

Pooling this Vertical Extent: Wolfcamp Formation

Depth Severance? (Yes/No): No

Pool: Purple Sage; Wolfcamp Gas (Pool code 98220)

Pool Spacing Unit Size: <u>Half Sections</u>

Governing Well Setbacks: Special Rules for the Purple Sage Gas Pool Apply

Pool Rules: <u>Purple Sage and Horizontal Well Rules</u>

Proximity Tracts: No

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Saturninus Fed Com 1510 Well No. 211H, API No. 30-015-Pending

SHL: 224 feet from the South line and 620 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 330 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,066 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 212H, API No. 30-015-Pending

SHL: 220 feet from the South line and 640 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 1122 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,091 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 215H, API No. 30-015-Pending

SHL: 215 feet from the South line and 659 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 1914 feet from the West line, (Unit C) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,106 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 221H, API No. 30-015-Pending

SHL: 210 feet from the South line and 679 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 726 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,236 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 222H, API No. 30-015-Pending

SHL: 205 feet from the South line and 698 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 1518 feet from the West line, (Unit C) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,261 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 225H, API No. 30-015-Pending

SHL: 201 feet from the South line and 718 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 2310 feet from the West line, (Unit C) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,281 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 231H, API No. 30-015-Pending

SHL: 305 feet from the South line and 600 feet from the West line.

CASE NO. 21040 ORDER NO. R-21211

Page **7** of **8**

(Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 330 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,946 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 232H, API No. 30-015-Pending

SHL: 305 feet from the South line and 560 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 1254 feet from the West line, (Unit D) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,961 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

Saturninus Fed Com 1510 Well No. 235H, API No. 30-015-Pending

SHL: 305 feet from the South line and 520 feet from the West line, (Unit M) of Section 15, Township 23 South, Range 29 East, NMPM. BHL: 130 feet from the North line and 2178 feet from the West line, (Unit C) of Section 10, Township 23 South, Range 29 East, NMPM.

Completion Target: Wolfcamp at approx 10,976 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 21743 ORDER NO. R-21211-A

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") requesting an extension to drill the well(s) as required by Order R-21211.
- 2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
- 3. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 4. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 5. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 6. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

- 7. The period to drill the well is extended until April 9, 2022.
- 8. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend Order R-21211 for good cause shown.
- 9. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

10. The remaining provisions of Order R-21211 remain in force or effect.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

AES/jag

Date: 4/13/2021

CASE NO. 21743 ORDER NO. R-21211-A District 1
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

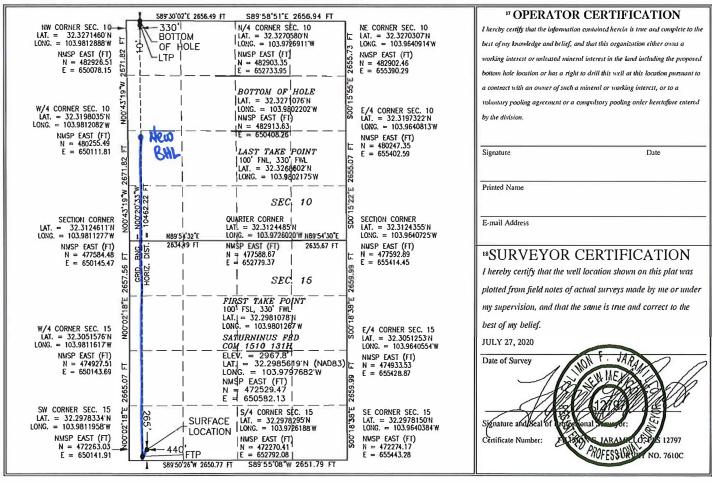
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 /	API Number			² Pool Cod	e		³ Pool Na	me				
4 Property (Code				5 Property	Name			6 1	Well Number		
				SA	SATURNINUS FED COM 1510					131H		
⁷ OGRID 1	vo.				⁸ Operator	Name				⁹ Elevation		
37292)		NOV	O OIL &	GAS NORTH	ERN DELAWAI	RE, LLC		2967.8			
					» Surface	e Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County		
M	15	23 S	29 E		265	SOUTH	440	WE	ST	EDDY		
			"B	ottom H	ole Location	If Different Fr	om Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County		
D	10	23 S	29 E	l.	X (NORTH	330	WEST		EDDY		
Dedicated Acre	Dedicated Acres 13 Joint or Infill 14 Co		14 Consolidation	1 Code	2630	SOUTH	15 Order No.	3		ic —		

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.



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C2
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

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

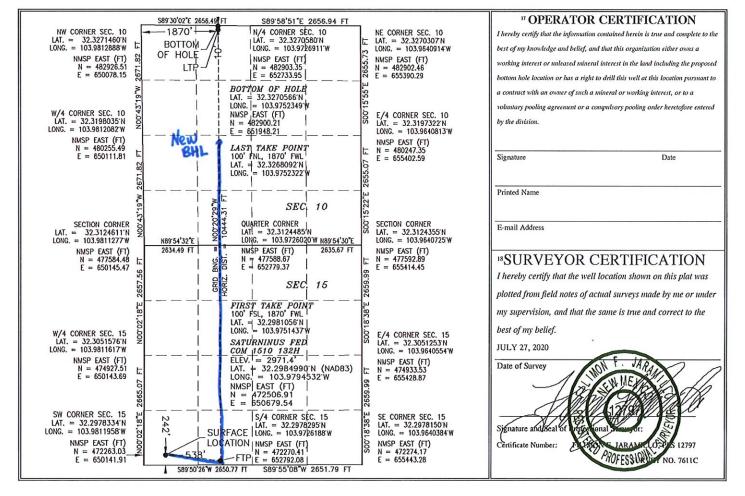
AMENDED REPORT

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WELL LOCATION AND ACREAGE DEDICATION PLAT

1,	¹ API Number ² Pool Code					³ Pool Name					
4 Property (Code				⁶ Well Number						
				SAT	URNINUS FI	ED COM 1510			132H		
⁷ OGRID No. ⁸ Operator Name									⁹ Elevation		
37292	0		NOV	NOVO OIL & GAS NORTHERN DELAWARE, LLC						2971.4	
					¹⁰ Surface	e Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
M	15	23 S	29 E		242	SOUTH	538	WE	ST	EDDY	
			пB	ottom H	ole Location	If Different Fi	om Surface			•	

UL or lot no. Lot Idn Feet from the North/South line Section Township Range Feet from the East/West line County C 10 23 S 29 E 10 NORTH 1870 WEST EDDY 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code SOUTH 15 Order No. 2630



<u>District I</u> 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

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

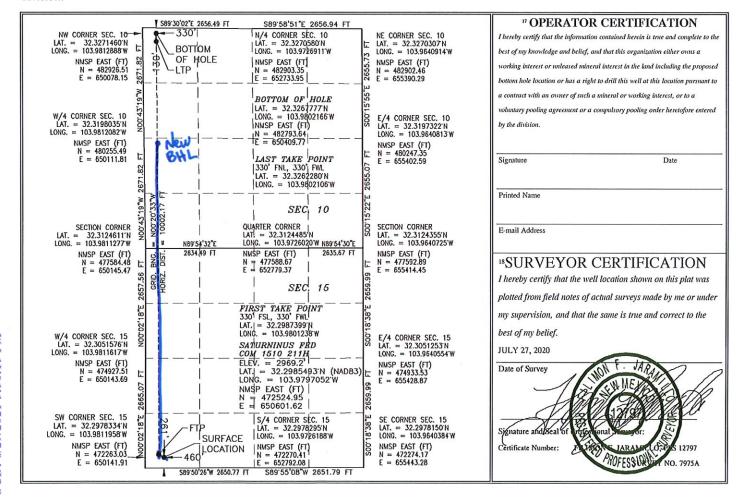
AMENDED REPORT

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WELL LOCATION AND ACREAGE DEDICATION PLAT

² Pool Code	³ Pool Name					
5 Pr	⁵ Property Name					
SATURNIN	211H					
8 OI	9 Elevation					
NOVO OIL & GAS NO	2969.2					
	SATURNINI * OF					

" Surface Location										
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
15	23 S	29 E		261	SOUTH	460	WEST	EDDY		
¹¹ Bottom Hole Location If Different From Surface										
Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
10	23 S	29 E		130	NORTH	330	WEST	EDDY		
s ¹³ Joint	¹³ Joint or Infill ¹⁴ Consolidati		n Code	2,510	SOUTH	15 Order No.		•		
	Section 10	15 23 S Section Township 10 23 S	15 23 S 29 E 10 Township Range 10 23 S 29 E	15 23 S 29 E 1 Bottom H Section Township Range Lot Idn 10 23 S 29 E	Section Township Range Lot Idn Feet from the 261	15 23 S 29 E 261 SOUTH	Section Township Range 29 E Lot Idn Feet from the 261 SOUTH 460 "Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Feet from the 10 23 S 29 E NORTH 330	Section Township Range 29 E Lot Idn Feet from the 261 SOUTH 460 WEST 1 Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Feet from the 23 S 29 E D NORTH 330 WEST		



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

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

12 Dedicated Acres

23 S

13 Joint or Infill

29 E

14 Consolidation Code

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

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

AMENDED REPORT

EDDY

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WELL LOCATION AND ACREAGE DEDICATION PLAT

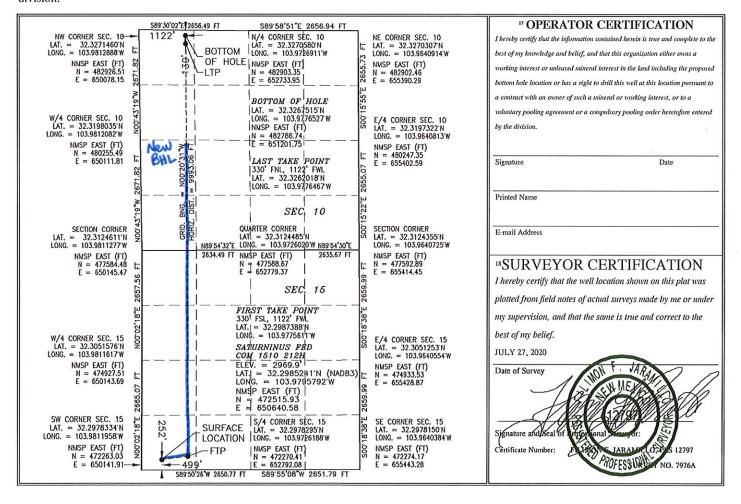
1 /	API Number				9		³ Pool Na	me			
⁴ Property (⁴ Property Code ⁵ Property Name								⁶ Well Number		
				SAT	TURNINUS FI	ED COM 1510			212H		
OGRID 1	No.					⁹ Elevation					
37292	372920 NOVO OIL & GAS NORTHERN DELAWARE, LLC									2969.9	
					» Surface	e Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County	
M	15	23 S	29 E				WE	ST	EDDY		
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/W	est line	County	

NORTH

1122

15 Order No.

WEST



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

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

District IV

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

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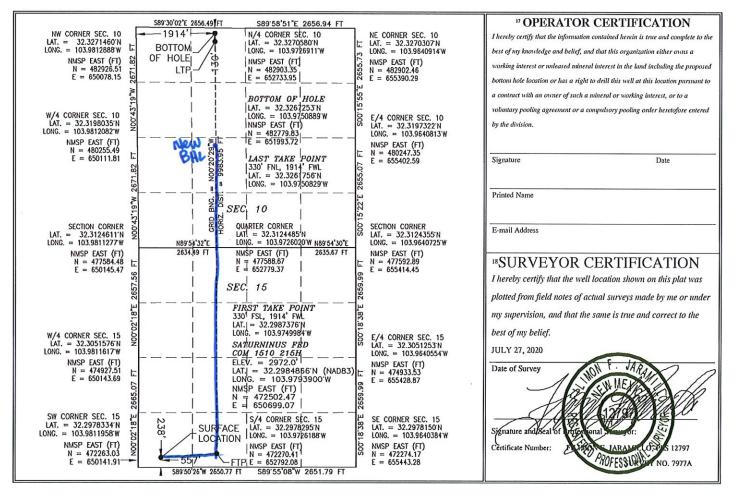
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1 /	API Number	r		² Pool Code		³ Pool Name				
⁴ Property C	Code				⁵ Property	Name		6	Well Number	
	SATURNINUS FED COM 1510								215H	
⁷ OGRID N	No.			The state of the s	8 Operator	Name			⁹ Elevation	
372920	0		NOV	O OIL &	GAS NORTH	ERN DELAWAI	RE, LLC		2972.0	
					¹⁰ Surface	e Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

M 15 23 S 29 E 238 SOUTH 557 WEST **EDDY** Bottom Hole Location If Different From Surface UL or lot no. Feet from the Section Township Range Lot Idn North/South line Feet from the East/West line County 130 C 10 23 S 29 E NORTH 1914 WEST **EDDY** 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.



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 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

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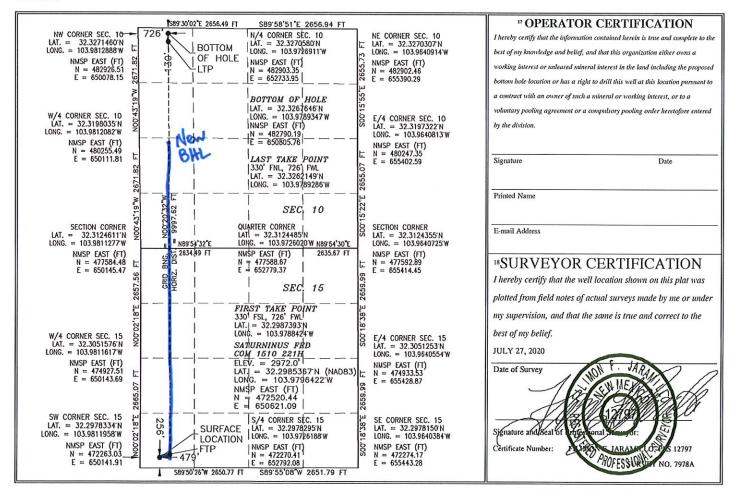
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WELL LOCATION AND ACREAGE DEDICATION PLAT

	1 /	API Numbe	r		² Pool Code		³ Pool Name					
	⁴ Property (⁴ Property Code ⁵ Property Name							⁶ Well Number			
			SATURNINUS FED COM 1510								221H	
	OGRID N	D No. ⁸ Operator Name							⁹ Elevation			
	37292	0	NOVO OIL & GAS NORTHERN DELAWARE, LLC							2972.0		
		¹⁰ Surface Location										
	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	the North/South line Feet from the East/West				County	
ı	3.4	15	22.0	40 T	l	256	COXIMIX	4=0	****	ann.		

IVI	15	23 3	29 E		250	SOUTH	479	WEST	EDDY			
	Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	p Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
D	10	23 S	29 E		130	NORTH	726	WEST	EDDY			
12 Dedicated Acre	s ¹³ Joint	or Infill	14 Consolidation	1 Code	2,510	SOUTH	15 Order No.					
						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						



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

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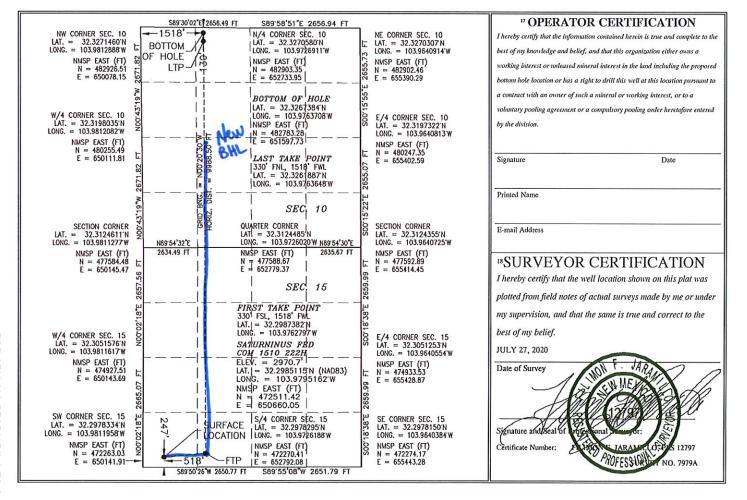
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WELL LOCATION AND ACREAGE DEDICATION PLAT

² Pool Code	³ Pool Name
⁵ Property Name	⁶ Well Number
SATURNINUS FED COM 1510	222Н
8 Operator Name	⁹ Elevation
NOVO OIL & GAS NORTHERN DELAW	ARE, LLC 2970.7
	SATURNINUS FED COM 1510

N Surface I ocation

					Durrac	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
M	15	23 S	29 E		247	SOUTH	518	WEST	EDDY		
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		
C	10	23 S	29 E		130	NORTH	1518	WEST	EDDY		
12 Dedicated Acre	s ¹³ Joint	Joint or Infill 14 Consolidation		1 Code 2	510	SOUTH	15 Order No.				



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 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

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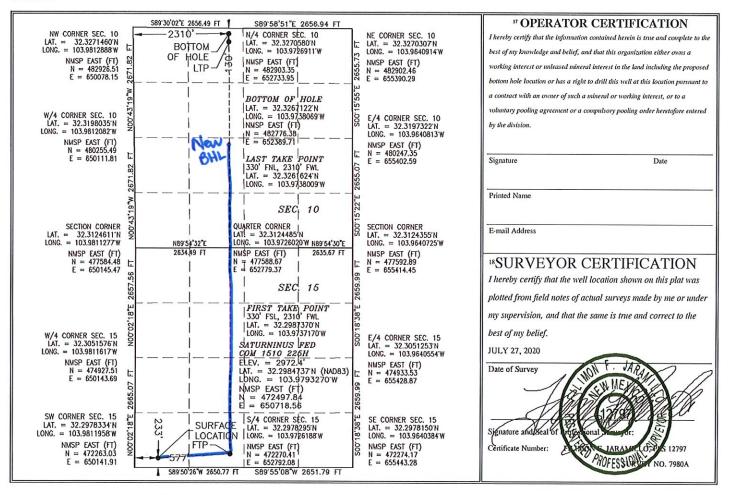
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1,	API Numbe	r		² Pool Code	2	³ Pool Name						
⁴ Property Code ⁵ Property Name									⁶ Well Number			
		SATURNINUS FED COM 1510								225H		
OGRID 1	No.	⁸ Operator Name							⁹ Elevation			
37292	.0	NOVO OIL & GAS NORTHERN DELAWARE, LLC						2972.4				
					» Surfa	ce Location						
UL or lot no.	Section	Township Range Lot Idn Feet from the North/South line Feet from the Ea						East/W	est line	County		
M	15	23 S 29 E 233 SOUTH 577						WE	ST	EDDY		

IVI	15	23 3	29 E		233	SOUTH	577	WEST	EDDY
<u>1</u>			п B	ottom H	ole Location	If Different Fr	om Surface		
UL or lot no.	Section 10	Township 23 S	P Range 29 E	Lot Idn	Feet from the	North/South line	Feet from the 2310	East/West line WEST	County EDDY
12 Dedicated Acre	s ¹³ Joint	or Infill	14 Consolidation	n Code	2510	South	15 Order No.		



<u>District I</u> 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 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

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State of New Mexico

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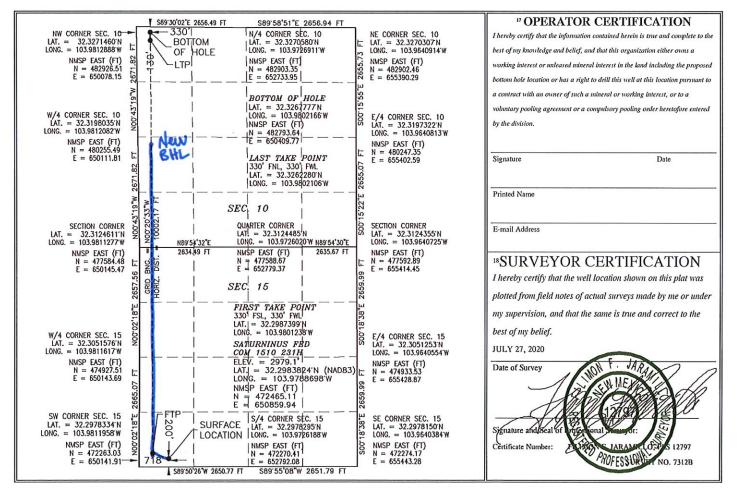
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number				² Pool Code						
4 Property	⁴ Property Code		⁵ Property Name							
		SATURNINUS FED COM 1510							231H	
⁷ OGRID	No.	⁸ Operator Name							⁹ Elevation	
37292	0	NOVO OIL & GAS NORTHERN DELAWARE, LLC							2979.1	
					¹⁰ Surface	e Location				
UL or lot no.	Section Township Range Lot Idn Feet from the Nor	tion Township Range Lot		North/South line	Feet from the	East/West line	County			
M	15	23 S	29 E		200	SOUTH	718	WEST	EDDY	

141	13	23 5	27 15		200	500111	710	MESI	EDD1	
" 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	
D	10	23 S	29 E		130	NORTH	330	WEST	EDDY	
12 Dedicated Acre	s ¹³ Joint	or Infill	14 Consolidation	n Code	2,510	SOUTH	15 Order No.			



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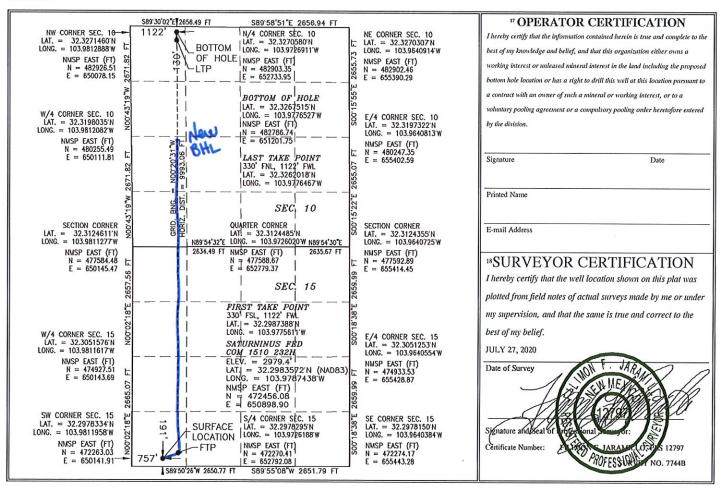
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code ³ Pool Name			
⁴ Property Code		⁵ Pr	⁶ Well Number		
		SATURNINI	US FED COM 1510	232Н	
OGRID No.		* O _I	perator Name	⁹ Elevation	
372920		NOVO OIL & GAS NO	RTHERN DELAWARE, LLC	2979.4	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	23 S	29 E		191	SOUTH	757	WEST	EDDY
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
D	10	23 S	29 E		130	NORTH	1122	WEST	EDDY
12 Dedicated Acre	s ¹³ Joint	or Infill 14	Consolidation	1 Code	2,510	SOUTH	15 Order No.		



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County

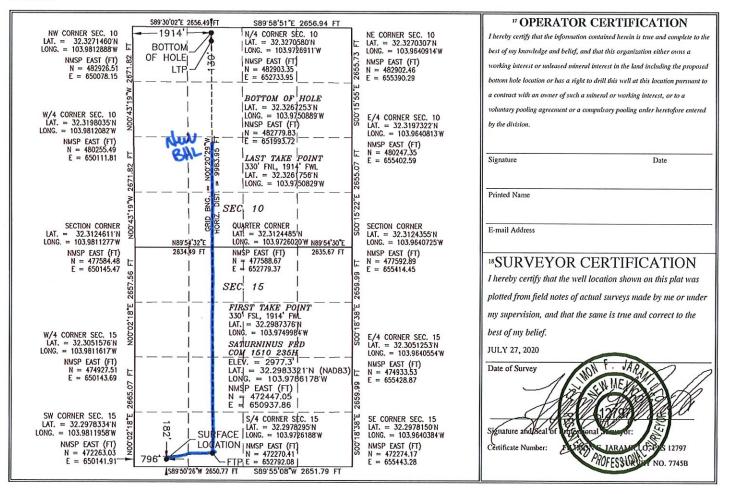
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name			
⁴ Property Code		5 PI	roperty Name	⁶ Well Number		
		SATURNIN	US FED COM 1510	235H		
⁷ OGRID No.		8 O ₁	perator Name	⁹ Elevation		
372920	372920 NOVO OIL & GAS NORTHERN DELAWARE, LLC					
		10 St	urface Location	•		

UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line

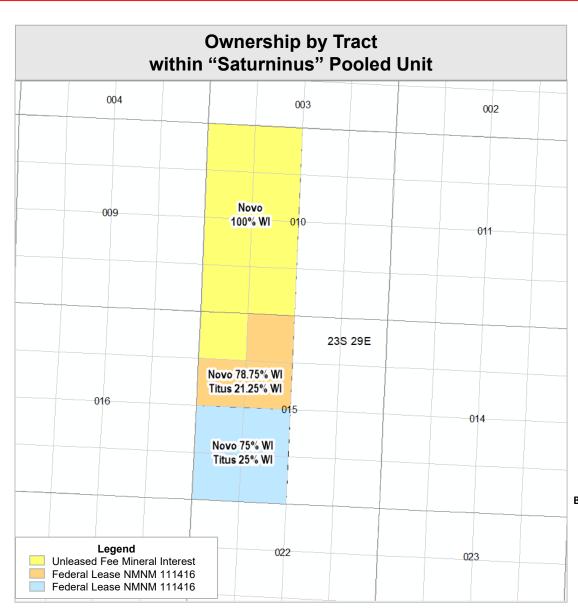
M	15	23 S	29 E		182	SOUTH	796	WEST	EDDY
			пB	ottom H	ole Location	If Different Fi	om Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	10	23 S	29 E		730	NORTH	1914	WEST	EDDY
12 Dedicated Acre	cated Acres 13 Joint or Infill		Consolidation	n Code	2,510	SOUTH	15 Order No.		





Ownership Overview

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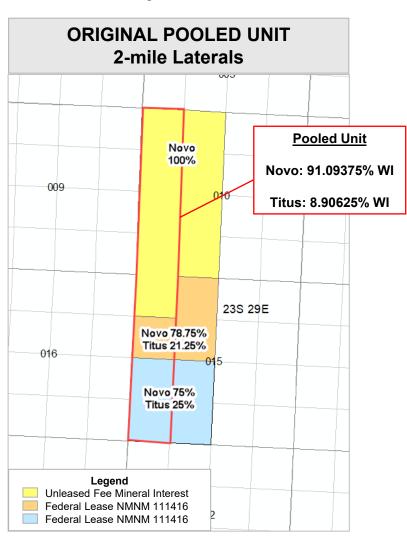
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C3 Submitted by: Novo Oil & Gas, LLC Hearing Date: July 01, 2021

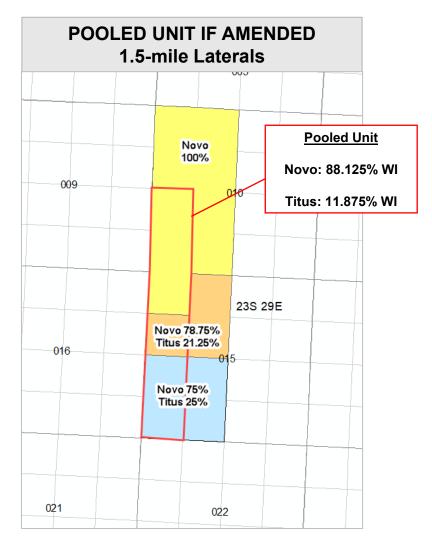
Case Nos. 21974-21976

Ownership – Case 21038

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Depths Covered: 7,839' to base of Bone Spring formation





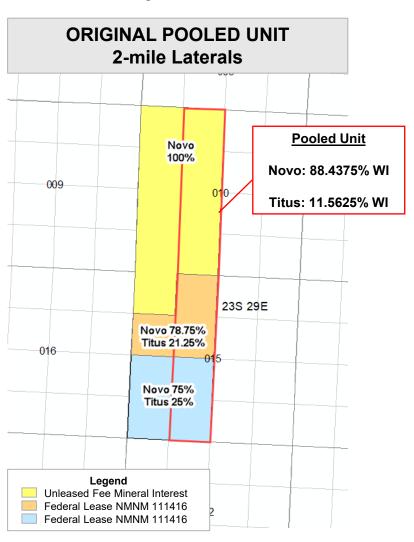
BEFORE THE OIL CONSERVATION DIVISION Santa Fe. New Mexico Exhibit No. C4 Submitted by: Novo Oil & Gas, LLC Hearing Date: July 01, 2021 Case Nos. 21974-21976

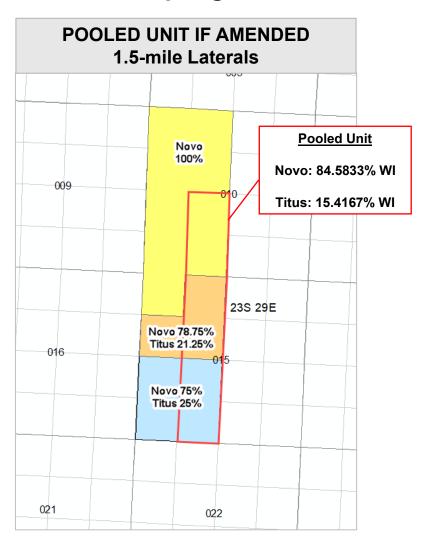


Ownership – Case 21039

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Depths Covered: 7,839' to base of Bone Spring formation



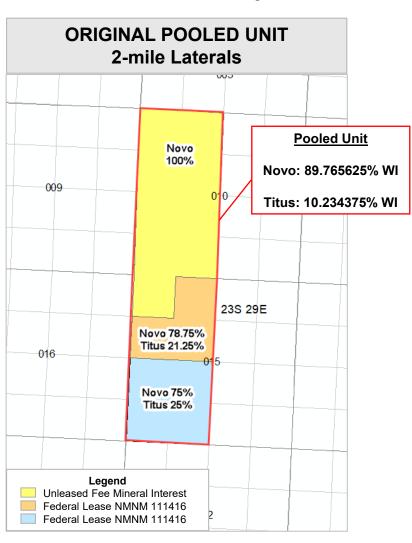


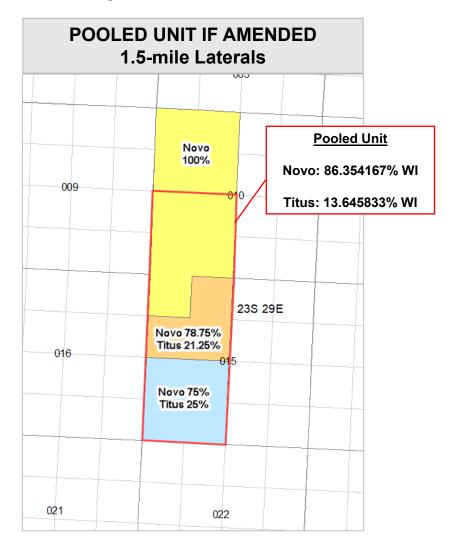


Ownership – Case 21040

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Depths Covered: Wolfcamp formation







Brandon Patrick
Vice President, Land
Novo Oil & Gas Northern Delaware, LLC
1001 West Wilshire Blvd, Suite 206
Oklahoma City, Oklahoma 73116
Office: 405-286-4197
bpatrick@novoog.com

April 26, 2021

Titus Oil & Gas Production, LLC 100 Throckmorton Street, Suite 1600 Ft. Worth, TX 76102

Re: Amended Saturninus Fed Com 1510 Working Interest Unit (WIU):

SW/4 of Section 10, Township 23 South, Range 29 East W/2 of Section 15, Township 23 South, Range 29 East Eddy County, New Mexico 480-acre Working Interest Unit

Ladies and Gentlemen:

As you are aware, the New Mexico Oil Conservation Division (the "Division") issued orders R-21209, R-21210, and R-21211 establishing pooled units for two-mile laterals to develop the 2nd Bone Spring, 3rd Bone Spring, and Wolfcamp formations in the W/2 of Section 10 and W/2 of Section 15, Township 23 South, Range 29 East, Eddy County, New Mexico. Each of these pooling orders designates Novo Oil & Gas Northern Delaware, LLC ("Novo") as the operator. Novo desires to reduce the lateral length of each well by 2,640 feet and remove the NW/4 of Section 10 from the Saturninus 1510 units. The purpose of this letter is to amend the well proposals resulting in the issuance of these orders and seek voluntary agreement on the thirteen (13) Saturninus 1510 wells as 1.5-mile laterals.

Novo hereby proposes the drilling of thirteen (13) 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" or "AFEs") attached hereto.

Proposed Wells

1. Saturninus Fed Com 1510 121H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 100' FSL & 330' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,540' FSL & 330' FWL of Section 10, Township 23 South, Range 29 East BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

BHL: NW/4 SW/4 of Section 10, 10wnship 23 South, Range 29 East.

The W/2 SW/4 of Section 10 and the W/2 W/2 of Section 15 will be dedicated to the well as its 240-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 8,696 feet subsurface to evaluate the 2nd Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 16,056 feet.

2. Saturninus Fed Com 1510 122H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 100' FSL & 1,870' FWL of Section 15, Township 23 South, Range 29 East Last Take Point 2,540' FSL & 1,870' FWL of Section 10, Township 23 South, Range 29 East

BHL: NE/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The E/2 SW/4 of Section 10 and the E/2 W/2 of Section 15 will be dedicated to the well as its 240-

acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 8,731 feet subsurface to evaluate the 2nd Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 16,091 feet.

3. Saturninus Fed Com 1510 131H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 100' FSL & 330' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,540' FSL & 330' FWL of Section 10, Township 23 South, Range 29 East

BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The W/2 SW/4 of Section 10 and the W/2 W/2 of Section 15 will be dedicated to the well as its 240-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,916 feet subsurface to evaluate the 3rd Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 17,276 feet.

4. Saturninus Fed Com 1510 132H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 100' FSL & 1,870' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,540' FSL & 1,870' FWL of Section 10, Township 23 South, Range 29 East BHL: NE/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The E/2 SW/4 of Section 10 and the E/2 W/2 of Section 15 will be dedicated to the well as its 240-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,936 feet subsurface to evaluate the 3^{rd} Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 17,296 feet.

5. Saturninus Fed Com 1510 211H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 330' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 330' FWL of Section 10, Township 23 South, Range 29 East BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,066 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have a measured depth (MD) of approximately 17,426 feet.

6. Saturninus Fed Com 1510 212H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 1,122' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 1,122' FWL of Section 10, Township 23 South, Range 29 East BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,091 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have a measured depth (MD) of approximately 17,451 feet.

7. Saturninus Fed Com 1510 215H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 1.914' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 1,914' FWL of Section 10, Township 23 South, Range 29 East BHL: NE/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,106 feet

subsurface to evaluate the Wolfcamp XY formation. The proposed well will have a measured depth (MD) of approximately 17,466 feet.

8. Saturninus Fed Com 1510 221H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 726' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 726' FWL of Section 10, Township 23 South, Range 29 East

BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,236 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have a measured depth (MD) of approximately 17,596 feet.

9. Saturninus Fed Com 1510 222H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 1,518' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 1,518' FWL of Section 10, Township 23 South, Range 29 East

BHL: NE/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,261 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have a measured depth (MD) of approximately 17,621 feet.

10. Saturninus Fed Com 1510 225H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 2,310' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 2,310' FWL of Section 10, Township 23 South, Range 29 East

BHL: NE/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,281 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have a measured depth (MD) of approximately 17,641 feet.

11. Saturninus Fed Com 1510 231H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 330' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 330' FWL of Section 10, Township 23 South, Range 29 East

BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,946 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have a measured depth (MD) of approximately 18,306 feet.

12. Saturninus Fed Com 1510 232H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 1,254' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 1,254' FWL of Section 10, Township 23 South, Range 29 East BHL: NW/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,961 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have a measured depth

(MD) of approximately 18,321 feet.

13. Saturninus Fed Com 1510 235H

SHL: SW/4 SW/4 of Section 15, Township 23 South, Range 29 East.

First Take Point: 330' FSL & 2,178' FWL of Section 15, Township 23 South, Range 29 East Last Take Point: 2,310' FSL & 2,178' FWL of Section 10, Township 23 South, Range 29 East

BHL: NE/4 SW/4 of Section 10, Township 23 South, Range 29 East.

The SW/4 of Section 10 and the W/2 of Section 15 will be dedicated to the well as its 480-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 10,976 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have a measured depth (MD) of approximately 18,336 feet.

Novo provided its proposed Joint Operating Agreement form to Titus on September 27, 2019. Novo is still interested in executing a JOA in that form covering the SW/4 of Section 10 and W/2 of Section 15 and limited in depth from 7,839 feet to the base of the Wolfcamp formation. Please let us know if you have any questions regarding Novo's proposed form. Upon request, we will provide another copy of that JOA form. If Titus does not elect to participate in these wells under the proposed JOA or wish to pursue some other voluntary agreement, Novo will file applications to amend the existing pooling orders. Additionally, if you have any questions regarding this letter or Novo's development plans, please call or email me at bpatrick@novoog.com.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC

Brandon Patrick Vice President, Land



WELL NAME	Saturninus Fed Com 1510 121H	AFE TYPE	Development	AFE NUMBER	2015121
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	20
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	2nd Bone Spring	DEPTH (TVD/TMD)	8696'/ 16056'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling completion facilities and pipeline costs for 7	500' horizontal	well		

PROJE	CIDESCRIPTION	Drilling, completion, facilities and pipeline costs f	or 7,500 nonzoniai	well		
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE	
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$ 25,000
02	LOCATION & ROAD			73,125		73,125
	RIG MOVE DRILLING - FOOTAGE			30,000 40,000		30,000 40,000
	DRILLING - DAYWORK			312,000		312,000
06	COMPLETION/WORKOVE	R RIG				0
07	COIL TUBING/SNUBBING	UNIT			150,000	150,000
80	SLICKLINE/SWABBING					0
	BITS			100,000	7,500	107,500
10 11	DIRECTIONAL SERVICES CASING CREW			150,000 80,000		150,000 80,000
12	TOOL & EQUIPMENT REN	JTAI		160,000	150,000	310,000
	FUEL & POWER	· · · · · ·		121,500	75,000	196,500
14	DIESEL - BASE FOR MUD			100,000		100,000
	MUD LOGGING & GEOLO			26,000		26,000
	DISPOSAL, RESTORATIO	N & BACKFILL		108,000	22.222	108,000
17 18	TRUCKING TESTING			85,000	30,000	115,000
	CEMENTING			90,000		90,000
	PERFORATING			23,300	131,250	131,250
	CASED HOLE LOGS				, ,	0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500	87,500
23	OTHER STIMULATION					0
24 25	FORMATION STIMULATION CONSULTING SERVICES	JN			1,800,000 15,000	1,800,000 15,000
	SUPERVISION			90,000	67,500	157,500
	CONTRACT LABOR			40,000	15,000	55,000
	OTHER LABOR			-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	60,000	60,000
	COMPANY CONSULTING	/SUPV				0
	WATER			40,000	637,500	677,500
	FLUIDS & CHEMICALS			150,000		150,000
	CORING & ANALYSIS COMMUNICATIONS			8,000	15,000	23,000
	BOP TESTING			15,000	15,000	30,000
	FISHING TOOLS & SERVI	CES		-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	.,	0
37	INSPECTIONS			10,000	7,500	17,500
	WIRELINE SERVICES					0
	ENGINEERING & GEOLO			1F 000		15.000
	ENGINEERING & GEOLO MULTISHOT & GYRO	GY - OFFICE		15,000		15,000
	RE-ENTRY SERVICES					0
	CAMPS & TRAILERS			50,000	35,000	85,000
44	SAFETY EQUIPMENT & H	2S		10,000	7,500	17,500
	CONTINGENCY					0
	INSURANCE MISCELLANEOUS			0	3,000	3,000 15,000
	SIM-OPS				15,000	15,000
	TOTAL INTANGIBLE COS	TS		\$ 1,978,625	\$ 3,274,250	\$ 5,252,875
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	TOTAL
	CASING - CONDUCTOR			\$ 20,000		\$ 20,000
	CASING - SURFACE			15,631		15,631
	CASING - INTERMEDIATE CASING - INTERMEDIATE			61,320		61,320
	CASING - INTERMEDIATE			271,872		271,872
	SUBSURFACE EQUIPMEN			211,512		0
	PRODUCTION TUBING					0
	SUBSURFACE PUMPING	EQUIPMENT				0
	WELLHEAD EQUIPMENT			40,000		40,000
	FLOWLINES SURFACE PUMPING EQU	IIPMENT				0
12	LINER HANGER & ASSOC					0
	VALVES & FITTINGS				271,430	271,430
	RODS					0
17	TRUCKING					0
	RE-ENTRY EQUIPMENT	IT.				705.405
	PRODUCTION EQUIPMENT MISCELLANEOUS	N I		10.000	795,485	795,485
47 49	TANGIBLE EQUIP-ACQUI	SITIONS		10,000		10,000
	TOTAL INTANGIBLE COS			\$ 418,823	\$ 1,066,914	-
	TOTAL ESTIMATED W	ELL CO91		\$ 2,397,448	\$ 4,341,164	\$ 6,738,612

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		_CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:				



WELL NAME	Saturninus Fed Com 1510 122H	AFE TYPE	Development	AFE NUMBER	2015122
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	20
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	2nd Bone Spring	DEPTH (TVD/TMD)	8731'/ 16091'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,500' horizontal well				

PROJEC	CI DESCRIPTION	Drilling, completion, facilities and pipeline costs for a	,500 nonzoniai	weii			
ACCT.	<u> </u>	DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$	25,000
	LOCATION & ROAD			73,125			73,125
	RIG MOVE			30,000			30,000
	DRILLING - FOOTAGE DRILLING - DAYWORK			40,000 312,000			40,000 312,000
	COMPLETION/WORKOVE	R RIG		312,000			312,000
	COIL TUBING/SNUBBING				150,000		150,000
	SLICKLINE/SWABBING				,		0
09	BITS			100,000	7,500		107,500
10	DIRECTIONAL SERVICES			150,000			150,000
	CASING CREW			80,000			80,000
	TOOL & EQUIPMENT REN	ITAL		160,000	150,000		310,000
	FUEL & POWER			121,500	75,000		196,500
	DIESEL - BASE FOR MUD	0.107		100,000			100,000
	MUD LOGGING & GEOLO			26,000			26,000
	DISPOSAL, RESTORATIO	N & BACKFILL		108,000	20.000		108,000
	TRUCKING TESTING			85,000	30,000		115,000
	CEMENTING			90,000			90,000
	PERFORATING			90,000	131,250		131,250
	CASED HOLE LOGS				101,200		0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500		87,500
	OTHER STIMULATION	-		,	. ,		0
24	FORMATION STIMULATION	N			1,800,000		1,800,000
25	CONSULTING SERVICES				15,000		15,000
26	SUPERVISION			90,000	67,500		157,500
	CONTRACT LABOR			40,000	15,000		55,000
	OTHER LABOR				60,000		60,000
	COMPANY CONSULTING	SUPV					0
	WATER			40,000	637,500		677,500
	FLUIDS & CHEMICALS			150,000			150,000
	CORING & ANALYSIS COMMUNICATIONS			8,000	15,000		23,000
	BOP TESTING			15,000	15,000		30,000
	FISHING TOOLS & SERVI	CES		10,000	10,000		00,000
	INSPECTIONS	<u></u>		10,000	7,500		17,500
	WIRELINE SERVICES			-,	,,,,,,		0
39	ENGINEERING & GEOLOG	GY - FIELD					0
40	ENGINEERING & GEOLO	GY - OFFICE		15,000			15,000
	MULTISHOT & GYRO						0
	RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			50,000	35,000		85,000
	SAFETY EQUIPMENT & H	2S		10,000	7,500		17,500
	CONTINGENCY			0	2.000		3,000
	INSURANCE MISCELLANEOUS			0	3,000 15,000		15,000
	SIM-OPS				13,000		13,000
	TOTAL INTANGIBLE COS	TS		\$ 1,978,625	\$ 3,274,250	\$	5,252,875
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
01	CASING - CONDUCTOR			\$ 20,000	, ,	\$	20,000
02	CASING - SURFACE			15,631			15,631
	CASING - INTERMEDIATE			61,320			61,320
	CASING - INTERMEDIATE						0
	CASING - PRODUCTION /			271,872			271,872
	SUBSURFACE EQUIPMEN	N I					0
	PRODUCTION TUBING	EOLIIDMENT					0
	SUBSURFACE PUMPING WELLHEAD EQUIPMENT	EQUIFIVIENT		40,000			40.000
	FLOWLINES			40,000			40,000
	SURFACE PUMPING EQU	IPMENT					0
	LINER HANGER & ASSOC						0
	VALVES & FITTINGS	***			271,430		271,430
	RODS				,		0
	TRUCKING						0
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	IT		-	795,485		795,485
	MISCELLANEOUS			10,000			10,000
	TANGIBLE EQUIP-ACQUIS					_	0
	TOTAL INTANGIBLE COS	18		\$ 418,823	\$ 1,066,914	\$	1,485,737
	TOTAL ESTIMATED W	ELL COST		\$ 2,397,448	\$ 4,341,164	\$	6,738,612
				. ,,	, , . • .		-,,

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_	_	
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI E.				



WELL NAME	Saturninus Fed Com 1510 131H	AFE TYPE	Development	AFE NUMBER	2015091
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	3rd Bone Spring	DEPTH (TVD/TMD)	9916'/ 17276'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
DRO IECT DESCRIPTION	Drilling completion facilities and nineline costs for 7	500' horizontal	well	•	

	Drilling, completion, facilities and pipeline costs for 7,500 fforizonts	ai won		
ACCT.	DESCRIPTION OF EXPENDITURE		COST ESTIMATE	
CODE	INTANGIBLE COSTS	DRILLING (300)	COMPLETION (500)	
	SURVEY/PERMITS/DAMAGES/LEGAL LOCATION & ROAD	\$ 25,000 73,125		\$ 25,000 73,125
	RIG MOVE	30.000		30,000
	DRILLING - FOOTAGE	40,000		40,000
	DRILLING - DAYWORK	338,000		338,000
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		150,000	150,000
	SLICKLINE/SWABBING BITS	100,000	7,500	107,500
	DIRECTIONAL SERVICES	170,000	7,500	170,000
	CASING CREW	80,000		80,000
12	TOOL & EQUIPMENT RENTAL	176,000	150,000	326,000
	FUEL & POWER	130,500	75,000	205,500
	DIESEL - BASE FOR MUD	100,000		100,000
	MUD LOGGING & GEOLOGIST DISPOSAL, RESTORATION & BACKFILL	30,000 108,000		30,000 108,000
17	TRUCKING	85,000	30,000	115,000
18	TESTING	00,000	00,000	0
19	CEMENTING	90,000		90,000
	PERFORATING		131,250	131,250
	CASED HOLE LOGS	50,000	07.500	0
	DOWNHOLE TOOLS & SERVICE OTHER STIMULATION	50,000	37,500	87,500 0
	FORMATION STIMULATION		1,800,000	1,800,000
	CONSULTING SERVICES		15,000	15,000
	SUPERVISION	90,000	67,500	157,500
	CONTRACT LABOR	40,000	15,000	55,000
	OTHER LABOR		60,000	60,000
	COMPANY CONSULTING/SUPV WATER	40,000	637,500	0 677,500
	FLUIDS & CHEMICALS	150,000	037,300	150,000
32	CORING & ANALYSIS			0
	COMMUNICATIONS	8,000	15,000	23,000
	BOP TESTING	15,000	15,000	30,000
	FISHING TOOLS & SERVICES	40,000	7.500	0
	INSPECTIONS WIRELINE SERVICES	10,000	7,500	17,500
	ENGINEERING & GEOLOGY - FIELD			0
	ENGINEERING & GEOLOGY - OFFICE	15,000		15,000
41	MULTISHOT & GYRO			0
	RE-ENTRY SERVICES			0
	CAMPS & TRAILERS	50,000	35,000	85,000
44 45	SAFETY EQUIPMENT & H2S CONTINGENCY	10,000	7,500	17,500
	INSURANCE	0	3,000	3,000
	MISCELLANEOUS		15,000	15,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,053,625		
01	TANGIBLE COSTS CASING - CONDUCTOR	DRILLING (400) \$ 20,000	COMPLETION (600)	* 20,000
	CASING - CONDUCTOR CASING - SURFACE	\$ 20,000		\$ 20,000 15,631
	CASING - INTERMEDIATE	61,320		61,320
04	CASING - INTERMEDIATE 2	326,625		326,625
	CASING - PRODUCTION / LINER	271,872		271,872
06	SUBSURFACE EQUIPMENT			0
	PRODUCTION TUBING			0
	SUBSURFACE PUMPING EQUIPMENT WELLHEAD EQUIPMENT	40,000		40,000
	FLOWLINES	40,000		0
11	SURFACE PUMPING EQUIPMENT			0
	LINER HANGER & ASSOC EQUIP			0
	VALVES & FITTINGS		271,430	271,430
	RODS TRUCKING			0
	RE-ENTRY EQUIPMENT			0
	PRODUCTION EQUIPMENT		795,485	795,485
	MISCELLANEOUS	10,000	, 100	10,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 745,448	\$ 1,066,914	\$ 1,812,362
	TOTAL ESTIMATED WELL COST	\$ 2,799,073	\$ 4,341,164	\$ 7,140,237

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI C				



WELL NAME	Saturninus Fed Com 1510 132H	AFE TYPE	Development	AFE NUMBER	2015092
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	3rd Bone Spring	DEPTH (TVD/TMD)	9936'/ 17296'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling completion facilities and pipeline costs for 7	500' horizontal	well	•	

PROJEC	CIDESCRIPTION	Drilling, completion, facilities and pipeline costs	s for 7,500 nonzoniai	weii		
ACCT.		DESCRIPTION OF EXPENDITURE		COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$ 25,000
02	LOCATION & ROAD			73,125		73,125
	RIG MOVE DRILLING - FOOTAGE			30,000 40,000		30,000 40,000
	DRILLING - DAYWORK			338,000		338,000
06	COMPLETION/WORKOVE	R RIG		330,000		330,000
	COIL TUBING/SNUBBING				150,000	150,000
08	SLICKLINE/SWABBING	-				0
09	BITS			100,000	7,500	107,500
10	DIRECTIONAL SERVICES			170,000		170,000
11	CASING CREW			80,000		80,000
12	TOOL & EQUIPMENT REN	ITAL		176,000	150,000	326,000
	FUEL & POWER			130,500	75,000	205,500
	DIESEL - BASE FOR MUD MUD LOGGING & GEOLO			100,000 30,000		100,000 30,000
	DISPOSAL, RESTORATIO			108,000		108,000
17	TRUCKING	N & BACKI ILL		85,000	30,000	115,000
18	TESTING			00,000	00,000	110,000
	CEMENTING			90,000		90,000
20	PERFORATING				131,250	131,250
	CASED HOLE LOGS		-			0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500	87,500
23	OTHER STIMULATION					0
24	FORMATION STIMULATIO	N .			1,800,000	1,800,000
	CONSULTING SERVICES SUPERVISION			00.000	15,000 67,500	15,000
	CONTRACT LABOR			90,000	15,000	157,500 55,000
	OTHER LABOR			40,000	60,000	60,000
	COMPANY CONSULTING	SUPV			00,000	00,000
	WATER			40,000	637,500	677,500
31	FLUIDS & CHEMICALS			150,000	,	150,000
32	CORING & ANALYSIS					0
	COMMUNICATIONS			8,000	15,000	23,000
	BOP TESTING			15,000	15,000	30,000
	FISHING TOOLS & SERVI	CES		10.000	7.500	0
	INSPECTIONS			10,000	7,500	17,500
	WIRELINE SERVICES ENGINEERING & GEOLOG	CV FIELD				0
	ENGINEERING & GEOLO			15,000		15,000
	MULTISHOT & GYRO	51 - 611162		10,000		10,000
	RE-ENTRY SERVICES					0
43	CAMPS & TRAILERS			50,000	35,000	85,000
44	SAFETY EQUIPMENT & H	2S		10,000	7,500	17,500
	CONTINGENCY					0
	INSURANCE			0	3,000	3,000
	MISCELLANEOUS				15,000	15,000
49	SIM-OPS TOTAL INTANGIBLE COS	TS		\$ 2,053,625	\$ 3,274,250	\$ 5,327,875
	TOTAL INTANGIBLE COS	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	TANGIBLE 00010		\$ 20,000	COMIT LETION (600)	\$ 20,000
	CASING - SURFACE			15,631		15,631
	CASING - INTERMEDIATE			61,320		61,320
	CASING - INTERMEDIATE			326,625		326,625
05	CASING - PRODUCTION /	LINER		271,872		271,872
	SUBSURFACE EQUIPMENT	NT				0
	PRODUCTION TUBING	EQUIPMENT.				0
	SUBSURFACE PUMPING	EQUIPMENT		10.055		10.000
	WELLHEAD EQUIPMENT FLOWLINES			40,000		40,000
	SURFACE PUMPING EQU	IIPMENT				0
12	LINER HANGER & ASSOC					0
	VALVES & FITTINGS	- = 40			271,430	271,430
	RODS				2, .50	0
17	TRUCKING					0
	RE-ENTRY EQUIPMENT					0
	PRODUCTION EQUIPMEN	IT	-		795,485	795,485
	MISCELLANEOUS			10,000		10,000
49	TANGIBLE EQUIP-ACQUI			A		0
	TOTAL INTANGIBLE COS	18		\$ 745,448	\$ 1,066,914	\$ 1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,799,073	\$ 4,341,164	\$ 7,140,237
	i .			. , -		

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		_CEO or CFO	DATE:	
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITLE:		·		



WELL NAME	Saturninus Fed Com 1510 211H	AFE TYPE	Development	AFE NUMBER	2015097
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	10066'/ 17426'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling completion facilities and pipeline costs for 7	500' horizontal	well	•	

PROJEC	CI DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7	,500 nonzoniai	well			
ACCT.	<u> </u>	DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$	25,000
	LOCATION & ROAD			73,125			73,125
	RIG MOVE			30,000			30,000
	DRILLING - FOOTAGE DRILLING - DAYWORK			40,000 338,000			40,000 338,000
	COMPLETION/WORKOVE	R RIG		330,000			336,000
	COIL TUBING/SNUBBING				150,000		150,000
	SLICKLINE/SWABBING				,		0
09	BITS			100,000	7,500		107,500
10	DIRECTIONAL SERVICES			170,000			170,000
	CASING CREW			80,000			80,000
	TOOL & EQUIPMENT REN	ITAL		176,000	150,000		326,000
	FUEL & POWER			130,500	75,000		205,500
	DIESEL - BASE FOR MUD	0.07		100,000			100,000
	MUD LOGGING & GEOLO			30,000			30,000
	DISPOSAL, RESTORATIO	N & BACKFILL		108,000	20.000		108,000
	TRUCKING TESTING			85,000	30,000		115,000
	CEMENTING			90,000			90,000
	PERFORATING			90,000	131,250		131,250
	CASED HOLE LOGS				101,200		0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500		87,500
	OTHER STIMULATION	-			. ,		0
24	FORMATION STIMULATION	N			1,800,000		1,800,000
	CONSULTING SERVICES				15,000		15,000
26	SUPERVISION			90,000	67,500		157,500
	CONTRACT LABOR			40,000	15,000		55,000
	OTHER LABOR				60,000		60,000
	COMPANY CONSULTING	SUPV					0
	WATER			40,000	637,500		677,500
	FLUIDS & CHEMICALS			150,000			150,000
	CORING & ANALYSIS COMMUNICATIONS			8,000	15,000		23,000
	BOP TESTING			15,000	15,000		30,000
	FISHING TOOLS & SERVI	CES		10,000	10,000		00,000
	INSPECTIONS	<u></u>		10,000	7,500		17,500
	WIRELINE SERVICES			-,,,,,,,,	,,,,,,		0
39	ENGINEERING & GEOLO	GY - FIELD					0
40	ENGINEERING & GEOLO	GY - OFFICE		15,000			15,000
	MULTISHOT & GYRO						0
	RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			50,000	35,000		85,000
	SAFETY EQUIPMENT & H	2S		10,000	7,500		17,500
	CONTINGENCY			0	2.000		3,000
	INSURANCE MISCELLANEOUS			0	3,000 15,000		15,000
	SIM-OPS				13,000		13,000
	TOTAL INTANGIBLE COS	TS		\$ 2,053,625	\$ 3,274,250	\$	5,327,875
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
01	CASING - CONDUCTOR			\$ 20,000	, ,	\$	20,000
02	CASING - SURFACE			15,631			15,631
	CASING - INTERMEDIATE			61,320			61,320
	CASING - INTERMEDIATE			326,625			326,625
	CASING - PRODUCTION /			271,872			271,872
	SUBSURFACE EQUIPMEN	N I					0
	PRODUCTION TUBING	EOLIBMENT					0
	SUBSURFACE PUMPING WELLHEAD EQUIPMENT	EQUIFIVENT		40,000			40.000
	FLOWLINES			40,000			40,000
	SURFACE PUMPING EQU	IPMFNT					0
	LINER HANGER & ASSOC						0
	VALVES & FITTINGS	***			271,430		271,430
	RODS				,		0
	TRUCKING						0
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	IT		-	795,485		795,485
	MISCELLANEOUS			10,000			10,000
	TANGIBLE EQUIP-ACQUI						0
	TOTAL INTANGIBLE COS	TS		\$ 745,448	\$ 1,066,914	\$	1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,799,073	\$ 4,341,164	\$	7,140,237
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PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F				



WELL NAME	Saturninus Fed Com 1510 212H	AFE TYPE	Development	AFE NUMBER	2015098	
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22	
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	10091/ 17451'	
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,500' horizontal well					

ACCT. DESCRIPTION OF EXPENDITURE (ODDE INTAMGIBLE COSTS DRILLI 10 SURVEY/PERMITS/DAMAGES/LEGAL \$ 21 LOCATION & ROAD 32 RIG MOVE 43 PRILLING - FOOTAGE 54 DRILLING - FOOTAGE 55 DRILLING - FOOTAGE 56 DRILLING - FOOTAGE 57 COLI TUBRIG/SNUBBING UNIT 58 SLICKLINE/SWABBING UNIT 59 BITS 50 DRIS 51 CASSING CREW 51 TOOL & SCUIPMENT RENTAL 51 TOOL & SCUIPMENT RENTAL 52 TOOL & SCUIPMENT RENTAL 53 FUEL & POWER 54 DISEASE - BASE FOR MUD 55 MUD LOGGING & GEOLOGIST 56 DISPOSAL RESTORATION & BACKFILL 77 TRUCKING 78 TRUCKING 79 CEMENTING 70 CASSEN DOLL LOGS 70 DOWNHOLE TOOLS & SERVICE 71 CASSEN DHOLE LOGS 71 OTHER LABOR 72 CONTRACT LABOR 73 OTHER TIMULATION 74 CONTRACT LABOR 75 CONSULTING SERVICES 76 CONTRACT LABOR 77 CONTRACT LABOR 78 POOTAGE 79 COMPANY CONSULTING/SUPV 70 WATER 71 FULDS & CHEMICALS 71 FULDS & CHEMICALS 72 CONTRACT LABOR 73 INSPECTIONS 74 RIGHT STRING 75 PROBLEMING & GEOLOGY - FIELD 76 PROBLEMING & GEOLOGY - FIELD 77 MINICAL SERVICES 78 INSPECTIONS 78 INSPECTIONS 79 PRODUCTION 70 CASSEN & GEOLOGY - FIELD 71 MINICAL SERVICES 71 RESTING 72 PRODUCTION 73 INSPECTIONS 74 INSPECTIONS 75 INSPECTIONS 76 INSPECTIONS 77 INSPECTIONS 77 INSPECTIONS 78 INSPECTIONS 79 INSPECTIONS 70 CASING - CONDUCTOR 70 CASING - STRAILES 71 ALVIENS - WATER 71 INSPECTION 72 CONTRACT SERVICES 73 INSPECTIONS 74 INSPECTIONS 75 INSPECTIONS 76 INSPECTIONS 77 INSPECTION 77 INSPECTION 78 INSPECTION 79 INSPECTION 79 INSPECTION 70 INSPECTION 70 INSPECTION 71 INSPECTION 71 INSPECTION 71 INSPECTION 72 INSPECTION 73 INSPECTION 74 INSPECTION 75 INSPECTION 76 INSPECTION 77 INSPECTION 77 INSPECTION 78 INSPECTION 78 INSPECTION 79 INSPECTION 79 INSPECTION 70 INSPECTION 70 INSPECTION 70 INSPECTION 71 INSPECTION 71 INSPECTION 71 INSPECTION 72 INSPECTION 74 INSPECTION 75 INSPECTI		COST ESTIMATE	
101 SURVEYPERMITSIDAMAGES/LEGAL 21 LOCATION & ROAD 32 RIG MOVE 41 POPILLING - FOOTAGE 42 POPILLING - FOOTAGE 43 POPILLING - FOOTAGE 44 POPILLING - FOOTAGE 45 POPILLING - FOOTAGE 46 COMPLET/ON/WORK/OVER RIG 47 COLL TUBING/SNUBBING UNIT 48 SLICKLINE/SWABBING 49 BITS 40 DIRECTIONAL SERVICES 40 DIRECTIONAL SERVICES 41 CASING GREW 41 TOOL & EQUIPMENT RENTAL 42 TOOL & EQUIPMENT RENTAL 43 FUEL & BOVER 44 DISSEL - BASE FOR MUD 54 MUD LOGSING & GEOLOGIST 55 MUD LOGSING & GEOLOGIST 56 DISPOSAL, RESTORATION & BACKFILL 57 TRUCKING 58 TESTING 50 CASING - FOOTAGE 50 DOWNHOLE TOOLS & SERVICE 51 CASED HOLE LOGS 51 CHEMATION STIMULATION 52 CONSULTING SERVICES 53 SUPERVISION 54 CONTRACT LABOR 55 CONSULTING SERVICES 56 SUPERVISION 57 CONTRACT LABOR 57 CONTRACT LABOR 58 COMMUNICATIONS 59 COMPLETING SERVICES 50 COMPLETING SERVICES 50 COMPLETING SERVICES 51 COMPLETING SERVICES 51 COMPLETING SERVICES 51 COMMUNICATIONS 51 CONTRACT LABOR 51 COMMUNICATIONS 51 CONTRACT LABOR 51 COMMUNICATIONS 51 CONTRACT LABOR 51 COMMUNICATIONS 52 CONTRACT LABOR 53 COMMUNICATIONS 54 COMMUNICATIONS 55 CONSULTING SERVICES 56 SUPERVISION SERVICES 57 INSPECTIONS 58 POTITURE SERVICES 59 ENGINEERING & GEOLOGY - PIELD 50 COMPLETING & GEOLOGY - PIELD 51 CONTRACT SERVICES 51 CONTRACT SERVICES 51 CASING - STRALLERS 51 CASING - STRALERS 51 CASING - STRA	ING (300)	COST ESTIMATE	
DOCATION & ROAD	25,000	COMPLETION (300)	\$ 25,0
04 DRILLING - FOOTAGE 05 DRILLING - DAYWORK 06 COMPLETION/WORKOVER RIG 07 COL TUBING/SNUBBING UNIT 08 SLCKLINE/SWABBING 09 BITS 11 CASING CREW 12 TOOL & EQUIPMENT RENTAL 13 FUEL & POWER 14 DIESEL & BASE FOR MUD 15 MUD LOGGING & GEOLOGIST 16 DISPOSAL, RESTORATION & BACKFILL 17 TRUCKING 18 TESTING 19 CEMENTING 19 CEMENTING 10 CASING TRIMULATION 20 PERFORATING 21 CASED HOLE LOGS 21 DOWNHOLE TOOLS & SERVICE 22 DOWNHOLE TOOLS & SERVICE 23 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 26 SUPERVISION 27 CONTRACT LABOR 27 CONTRACT LABOR 28 OTHER LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FLUIDS & CHEMICALS 32 COMMUNICATIONS 33 COMMUNICATIONS 34 ROPE STIMULATION 35 CHEMICALS 36 FISHING SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 COMMUNICATIONS 39 COMMUNICATIONS 30 FISHING SOLOGY - PIELD 40 ENGINEERING & GEOLOGY - PIELD 41 MULTISHOT & GYNO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & RES 45 CONTINGENCY 45 SINGLE SERVICES 46 INSURANCE 47 MISCELLANEOUS 48 SINGLE SERVICES 49 CASING - SURFACE 40 CASING - SURFACE 41 MULTISHOT & GYNO 41 SAFETY SERVICES 41 SAFETY ECUIPMENT & RES 42 CASING - SURFACE 43 CASING - FORDUCTION LINER 44 SAFETY ECUIPMENT & RES 55 CONTINGENCY 57 TANGIBLE COSTS 5 TOTAL INTRIMEDIATE 57 CASING - PRODUCTION LINER 58 SUBSURFACE EQUIPMENT 59 CORNING - PRODUCTION LINER 59 SUBSURFACE EQUIPMENT 50 CORNER & ASSOC EQUIPMENT 51 SURFACE EQUIPMENT	73,125		73,1
05 DRILLING - DAYWORK	30,000		30,0
66 COMPLETION/VORKOVER RIG 77 COIL TUBNOIGNUBBING UNIT 8 SLICKLINE/SWABBING 9 BITS 11 CASING CREW 12 TOOL & EQUIPMENT RENTAL 13 FUEL & POWER 14 DIESEL BASE FOR MUD 15 MUD LOGGING & GEOLOGIST 16 DISPOSAL, RESTORATION & BACKFILL 17 TRUCKING 18 TESTING 19 CEMENTING 19 CEMENTING 20 PERFORATING 21 CASSED HOLE LOGS 20 DOWNHOLE TOOLS & SERVICE 21 OOWNHOLE TOOLS & SERVICE 23 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 26 SUPERVISION 27 CONTRACT LABOR 27 CONTRACT LABOR 28 OTHER LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FILUIDS & CHEMICALS 32 CORNOS & ANALYSIS 33 COMMUNICATIONS 34 SOMMUNICATIONS 35 CONSULTING SERVICES 36 SUPERVISION 37 CONTRACT LABOR 38 WIRELINE SERVICES 39 COMPANY CONSULTING/SUPV 30 WATER 31 FILUIDS & CHEMICALS 31 CONMUNICATIONS 32 CORNOS & ANALYSIS 33 COMMUNICATIONS 34 SOMMUNICATIONS 35 PESTING 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 PENGINES & GEOLOGY - OFFICE 40 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYPO 41 SARPLY SERVICES 42 CASING - SURFACE 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 48 SIRSULERS 49 SIMONES 40 SUBSURFACE EQUIPMENT 41 SURFACE COURT IN LINER 40 SUBSURFACE EQUIPMENT 41 SURFACE PUMPING EQUIPMENT 42 LINER HANGER & ASSOC EQUIP 43 VALVES & FITTINGS 46 RE-BITRY EQUIPMENT	40,000		40,0
COIL TUBING/SINUBBING UNIT	338,000		338,0
88 SUCKLINE/SWABBING 90 BITS 10 DIRECTIONAL SERVICES 11 CASING CREW 12 TOOL & EQUIPMENT RENTAL 13 FUEL & POWER 14 DIESEL & BASE FOR MUD 15 MUD LOGGING & GEOLOGIST 16 DISPOSAL RESTORATION & BACKFILL 17 TRUCKING 18 TESTING 19 CEMENTING 20 PERFORATING 21 CASED HOLE LOGS 21 DOWNHOLE TOOLS & SERVICE 22 DOWNHOLE TOOLS & SERVICE 23 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 26 SUPERVISION 27 CONTRACT LABOR 28 OTHER LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FLUIDS & CHEMICALS 32 CORNIG & ANALYSIS 33 COMMUNICATIONS 34 BOP TESTING 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CARRS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLAROR 48 SIMPLE SERVICES 49 SIM-OPS 10 CASING - STRAILERS 40 CASING - STRAILERS 41 SAFETY EQUIPMENT & H2S 42 CASING - SURFACE 43 CASING - SURFACE 44 SIM-OPS 10 CASING - SURFACE 46 INSURANCE 47 MISCELLAROUS 48 SIM-OPS 10 CASING - SURFACE 49 SIM-OPS 10 CASING - SURFACE 50 CASING - PRODUCTION / LINER 51 SUBSURFACE PUMPING EQUIPMENT 51 SURFACE PUMPING EQUIPMENT			
99 BITS		150,000	150,0
10 DIRECTIONAL SERVICES			
11 CASING CREW	100,000	7,500	107,5
12 TOOL & EQUIPMENT RENTAL 13 FUEL & POWER 14 DIESEL - BASE FOR MUD 15 MUD LOGGING & GEOLOGIST 16 DISPOSAL, RESTORATION & BACKFILL 17 TRUCKING 18 TESTING 19 CEMENTING 20 PERFORATING 21 CASED HOLE LOGS 22 DOWNHOLE TOOLS & SERVICE 23 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 26 SUPERVISION 27 CONTRACT LABOR 28 OTHER LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FLUIDS & CHEMICALS 32 CORING & ANALYSIS 33 COMMUNICATIONS 34 BOP TESTING 35 FISHING TOOLS & SERVICES 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELNESS & SERVICES 39 ENGINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - FIELD 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPA & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTACT INTORNEY 46 INSURANCE 47 MISCELLAREOUS 48 SIM-OPS 49 SIM-OPS 40 CASING - SURFACE 40 CASING - SURFACE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPA & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLAREOUS 48 SIM-OPS 49 SIM-OPS 40 CASING - SURFACE 50 CASING - SURFACE 51 CASING - PRODUCTION / LINER 52 CASING - SURFACE 53 CASING - INTERMEDIATE 2 54 CASING - SURFACE 55 CASING - PRODUCTION / LINER 56 SUBSURFACE PUMPING EQUIPMENT 57 PRODUCTION TUBING 58 SUBSURFACE PUMPING EQUIPMENT 59 CONTRACT PUMPING EQUIPMENT 50 CORTACT PURPING EQUIPMENT 51 SURFACE PUMPING EQUIPMENT 52 CREENTRY EQUIPMENT 53 SURFACE PUMPING EQUIPMENT 54 SURFACE PUMPING EQUIPMENT 55 CREENTRY EQUIPMENT 56 SUBSURFACE PUMPING EQUIPMENT 57 SURFACE PUMPING EQUIPMENT 58 SURFACE PUMPING EQUIPMENT 59 SURFACE PUMPING EQUIPMENT 50 SURFACE PUMPING EQUIPMENT 50 SURFACE PUMPING EQUIPMENT 50 SURFACE PUMPING	170,000		170,0
13	80,000 176,000	150,000	80,0 326,0
14 DIESEL - BASE FOR MUD	130,500	75,000	205,5
15 MUD LOGGING & GEOLOGIST 16 DISPOSAL, RESTORATION & BACKFILL 17 TRUCKING 18 TESTING 19 CEMENTING 20 PERFORATING 21 CASED HOLE LOGS 22 DOWNHOLE TOOLS & SERVICE 23 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 26 SUPERVISION 27 CONTRACT LABOR 28 OTHER LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FLUIDS & CHEMICALS 32 CORNING & ANALYSIS 33 COMMUNICATIONS 34 BOP TESTING 35 FISHING TOOLS & SERVICES 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - FIELD 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CASING - SURFACE 46 INSURANCE 47 MISCELLANEOUS 48 ISHING FOOLOGY 49 SIM-OPS 40 TANGIBLE COSTS 50 CASING - CONDUCTOR 51 CASING - CONDUCTOR 52 CASING - SURFACE 53 CASING - SURFACE 54 CASING - SURFACE 55 CASING - PRODUCTION / LINER 56 CASING - PRODUCTION / LINER 57 CASING - PRODUCTION / LINER 58 SUSPERACE EQUIPMENT 58 SUSPARACE EQUIPMENT 59 PRODUCTION TUBING 50 SUSPARACE EQUIPMENT 50 PRODUCTION TUBING 51 SUSPARACE EQUIPMENT 51 FLOWLING 51 RUCKING 51 TRUCKING 52 RE-ENTRY SEQUIPMENT 51 TRUCKING 52 RE-ENTRY EQUIPMENT 51 TRUCKING 52 RE-ENTRY EQUIPMENT 51 TRUCKING 53 RE-ENTRY EQUIPMENT	100,000	73,000	100,0
16 DISPOSAL, RESTORATION & BACKFILL 17 TRUCKING 18 TESTING 19 CEMENTING 20 PERFORATING 21 CASED HOLE LOGS 22 DOWNHOLE TOOLS & SERVICE 23 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 26 SUPERVISION 27 CONTRACT LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FLUIDS & CHEMICALS 32 CORING & ANALYSIS 33 COMMUNICATIONS 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - FIELD 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CASING - STRAIGH SHARES 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 48 SIMPACE 40 CASING - SURFACE 41 CASING - SURFACE 42 CASING - SURFACE 43 CAMPAS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 48 SIM-OPS 49 SIM-OPS 40 CASING - CONDUCTOR 40 CASING - CONDUCTOR 51 CASING - CONDUCTOR 52 CASING - SURFACE 54 CASING - INTERMEDIATE 55 CASING - PRODUCTION TUBING 56 SUBSERFACE EQUIPMENT 57 PRODUCTION TUBING 58 SUBSERFACE EQUIPMENT 58 CODS 58 CASING - PRODUCTION TUBING 58 SUBSERFACE EQUIPMENT 59 WELLHEAD EQUIPMENT 51 SURFACE PUMPING EQUIPMENT 51 SURFACE PUMPING EQUIPMENT 51 RODS 51 RUCKING 52 RE-ENTRY EQUIPMENT 51 RODS 51 RODS 51 RUCKING 52 RE-ENTRY EQUIPMENT	30,000		30,0
TRUCKING	108,000		108,0
19 CEMENTING 20 PERFORATING 21 CASED HOLE LOGS 22 DOWNHOLE TOOLS & SERVICE 22 DOWNHOLE TOOLS & SERVICE 3 OTHER STIMULATION 24 FORMATION STIMULATION 25 CONSULTING SERVICES 3 CONSULTING SERVICES 3 CONSULTING SERVICES 3 CONTRACT LABOR 27 CONTRACT LABOR 28 OTHER LABOR 29 COMPANY CONSULTING/SUPV 30 WATER 31 FLUIDS & CHEMICALS 32 CORING & ANALYSIS 33 COMMUNICATIONS 34 BOP TESTING 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - FIELD 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS 5 TANGIBLE COSTS 5 TANGIBLE COSTS 5 CASING - INTERMEDIATE 2 CASING - PRODUCTION I LINER 6 SUBSURFACE EQUIPMENT 7 PRODUCTION TUBING 7 PROD	85,000	30,000	115,0
20	,	,	
21	90,000		90,0
22 DOWNHOLE TOOLS & SERVICE		131,250	131,2
23			
24	50,000	37,500	87,5
25			
26 SUPERVISION		1,800,000	1,800,0
27	00.000	15,000	15,0
28	90,000	67,500	157,5
29	40,000	15,000	55,0
30 WATER 11 FLUIDS & CHEMICALS 22 CORING & ANALYSIS 33 COMMUNICATIONS 34 BOP TESTING 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS 50 CASING - CONDUCTOR 20 CASING - INTERMEDIATE 2 31 CASING - INTERMEDIATE 2 42 CASING - PRODUCTION / LINER 33 CONDUCTION TUBING 34 SUBSURFACE PUMPING EQUIPMENT 35 VALVES & FITTINGS 46 FRODS 47 SUBSURFACE PUMPING EQUIPMENT 48 SUBSURFACE PUMPING EQUIPMENT 49 WELLHEAD EQUIPMENT 40 UNIVERS 41 SURFACE PUMPING EQUIPMENT 42 LINER HANGER & ASSOC EQUIP 43 VALVES & FITTINGS 44 FITURICKING 45 CORING - RODS 46 CORING - PRODUCTION / LINER 47 SUBSURFACE PUMPING EQUIPMENT 48 SUBSURFACE PUMPING EQUIPMENT 49 WELLHEAD EQUIPMENT 50 WELLHEAD EQUIPMENT 51 TRUCKING 51 TRUCKING 51 TRUCKING 52 RE-ENTRY EQUIPMENT		60,000	60,0
STATE STAT	40,000	637,500	677,5
32 CORING & ANALYSIS 33 COMMUNICATIONS 34 BOP TESTING 35 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENSINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS DRILLING CASING - SURFACE 30 CASING - SURFACE 30 CASING - INTERMEDIATE 30 CASING - INTERMEDIATE 30 CASING - INTERMEDIATE 30 CASING - INTERMEDIATE 30 CASING - PRODUCTION / LINER 30 SUBSURFACE EQUIPMENT 30 SUBSURFACE EQUIPMENT 31 SUBSURFACE EQUIPMENT 31 SUBSURFACE PUMPING EQUIPMENT 31 SURFACE PUMPING EQUIPMENT 32 SURFACE PUMPING EQUIPMENT 32 SURFACE PUMPING EQUIPMENT 33 SURFACE PUMPING EQUIPMENT 34 SURFACE PUMPING EQUIPMENT 35 SURFACE PUMPING EQUIPMENT 35 SURFACE PUMPING EQUIPMENT 35 SURFACE PUMPING EQUIPMENT 35 SURFACE PUMP	150,000	037,300	150,0
33 COMMUNICATIONS 34 BOP TESTING 36 FISHING TOOLS & SERVICES 37 INSPECTIONS 38 WIRELINE SERVICES 39 ENGINEERING & GEOLOGY - FIELD 40 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 48 SIM-OPS TOTAL INTANGIBLE COSTS \$ TANGIBLE COSTS DRILLIN 01 CASING - CONDUCTOR 02 CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 16 RODS 17 TRUCKING 17 TRUCKING 18 RE-ENTRY EQUIPMENT 17 TRUCKING 18 RE-ENTRY EQUIPMENT 17 TRUCKING 18 COMMUNICATIONS 18 COMMUNICATIONS 18 COMMUNICATIONS 18 COMMUNICATIONS 18 COMMUNICATIONS 19 COMMUNICATIONS 19 COMMUNICATIONS 10 COMMUNICATIONS 10 COMMUNICATIONS 10 COMMUNICATIONS 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 18 COMMUNICATIONS 18 COMMUNICATIONS 18 COMMUNICATIONS 19 COMMUNICATIONS 19 COMMUNICATIONS 10 COMMUNICATIONS 10 COMMUNICATIONS 10 COMMUNICATIONS 10 COMMUNICATIONS 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 16 COMMUNICATIONS 17 TRUCKING 18 COMMUNICATIONS 18 COMMUNICATIONS 19 COMMUNICATIONS 19 COMMUNICATIONS 10 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 12 COMMUNICATIONS 12 COMMUNICATIONS 12 COMMUNICATIONS 11 COMMUNICATIONS 12 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 12 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICATIONS 11 COMMUNICA	130,000		130,0
34 BOP TESTING	8,000	15,000	23,0
Section Sect	15,000	15,000	30,0
38	-,	- /	
BIGINEERING & GEOLOGY - FIELD ENGINEERING & GEOLOGY - OFFICE INUITISHOT & GYRO RE-ENTRY SERVICES CAMPS & TRAILERS SAFETY EQUIPMENT & H2S CONTINGENCY INSURANCE INSURANCE TOTAL INTANGIBLE COSTS TANGIBLE COSTS TANGIBLE COSTS DRILLI CASING - CONDUCTOR CASING - SURFACE CASING - INTERMEDIATE CASING - INTERMEDIATE CASING - PRODUCTION / LINER SUBSURFACE EQUIPMENT PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT DELAY FLOWLINES SURFACE PUMPING EQUIPMENT DELAY SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP VALVES & FITTINGS RODS TTRUCKING RE-ENTRY EQUIPMENT	10,000	7,500	17,5
40 ENGINEERING & GEOLOGY - OFFICE 41 MULTISHOT & GYRO 42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS TOTAL INTANGIBLE COSTS \$ CASING - CONDUCTOR \$ CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 05 CASING - INTERMEDIATE 06 SUBSURFACE EQUIPMENT 07 PRODUCTION / LINER 08 SUBSURFACE EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 16 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
### MULTISHOT & GYRO ### RE-ENTRY SERVICES ### CAMPS & TRAILERS ### SAFETY EQUIPMENT & H2S ### SAFETY EQUIPMENT & H2S ### CONTINGENCY ### MISCELLANEOUS ### MISCELLANEOUS ### TOTAL INTANGIBLE COSTS ### TANGIBLE COSTS ### TANGIBLE COSTS ### DRILLI ### CASING - CONDUCTOR ### CASING - SURFACE ### CASING - INTERMEDIATE ### CASING - INTERMEDIATE 2 ### CASING - PRODUCTION / LINER ### LINER HANGER & COULPMENT ### OF PRODUCTION TO BING ### SUBSURFACE PUMPING EQUIPMENT ### USURFACE PUMPING EQUIPMENT #			
42 RE-ENTRY SERVICES 43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 9 SIM-OPS TOTAL INTANGIBLE COSTS \$ 01 CASING - CONDUCTOR \$ 02 CASING - SURFACE \$ 03 CASING - INTERMEDIATE * 04 CASING - INTERMEDIATE 2 * 05 CASING - PRODUCTION / LINER * 06 SUBSURFACE EQUIPMENT * 07 PRODUCTION TUBING * 08 SUBSURFACE PUMPING EQUIPMENT * 09 WELLHEAD EQUIPMENT * 10 FLOWLINES * 11 SURFACE PUMPING EQUIPMENT * 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	15,000		15,0
43 CAMPS & TRAILERS 44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS \$ CASING - CONDUCTOR CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 2 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
44 SAFETY EQUIPMENT & H2S 45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS S TANGIBLE COSTS O1 CASING - CONDUCTOR CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
45 CONTINGENCY 46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS TANGIBLE COSTS TANGIBLE COSTS DRILLI 01 CASING - CONDUCTOR 02 CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	50,000	35,000	85,0
46 INSURANCE 47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS SIM-OPS TOTAL INTANGIBLE COSTS CASING - CONDUCTOR 2 CASING - SURFACE 3 CASING - INTERMEDIATE 4 CASING - INTERMEDIATE 2 5 CASING - PRODUCTION / LINER 6 SUBSURFACE EQUIPMENT 6 PRODUCTION TUBING 8 SUBSURFACE PUMPING EQUIPMENT 9 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	10,000	7,500	17,5
47 MISCELLANEOUS 49 SIM-OPS TOTAL INTANGIBLE COSTS TANGIBLE COSTS DRILLII 01 CASING - CONDUCTOR \$ 02 CASING - SURFACE ** 03 CASING - INTERMEDIATE ** 04 CASING - INTERMEDIATE 2 ** 05 CASING - PRODUCTION / LINER ** 06 SUBSURFACE EQUIPMENT ** 07 PRODUCTION TUBING ** 08 SUBSURFACE PUMPING EQUIPMENT ** 09 WELLHEAD EQUIPMENT ** 10 FLOWLINES ** 11 SURFACE PUMPING EQUIPMENT ** 12 LINER HANGER & ASSOC EQUIP ** 13 VALVES & FITTINGS ** 15 RODS ** 17 TRUCKING ** 20 RE-ENTRY EQUIPMENT **	0	3.000	3,0
SIM-OPS	U	15,000	15,0
TOTAL INTANGIBLE COSTS TANGIBLE COSTS DRILLI 01 CASING - CONDUCTOR 02 CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 2 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT		13,000	10,0
TANGIBLE COSTS DRILLI O1 CASING - CONDUCTOR \$ O2 CASING - SURFACE O3 CASING - INTERMEDIATE O4 CASING - INTERMEDIATE 2 O5 CASING - PRODUCTION / LINER O6 SUBSURFACE EQUIPMENT O7 PRODUCTION TUBING O8 SUBSURFACE PUMPING EQUIPMENT O9 WELLHEAD EQUIPMENT O9 WELLHEAD EQUIPMENT OF IOWLINES O1 SURFACE PUMPING EQUIPMENT O2 LINER HANGER & ASSOC EQUIP O3 VALVES & FITTINGS O4 TRUCKING O5 TRUCKING O6 CASING - VANIOUS O6 CASING - VANIOUS O7 CASING - VANIOUS O7 CASING - VANIOUS O7 CASING - VANIOUS O8 CASING - VANIOUS O9 CASING - VANIOUS	2,053,625	\$ 3,274,250	\$ 5,327,8
01 CASING - CONDUCTOR \$ 02 CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 2 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	ING (400)	COMPLETION (600)	TOTAL
02 CASING - SURFACE 03 CASING - INTERMEDIATE 04 CASING - INTERMEDIATE 2 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	20,000	()	\$ 20,0
04 CASING - INTERMEDIATE 2 05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	15,631		15,6
05 CASING - PRODUCTION / LINER 06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	61,320		61,3
06 SUBSURFACE EQUIPMENT 07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	326,625		326,6
07 PRODUCTION TUBING 08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	271,872		271,8
08 SUBSURFACE PUMPING EQUIPMENT 09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
09 WELLHEAD EQUIPMENT 10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
10 FLOWLINES 11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	10.000		40 -
11 SURFACE PUMPING EQUIPMENT 12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT	40,000		40,0
12 LINER HANGER & ASSOC EQUIP 13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
13 VALVES & FITTINGS 15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT			
15 RODS 17 TRUCKING 20 RE-ENTRY EQUIPMENT		271,430	271,4
17 TRUCKING 20 RE-ENTRY EQUIPMENT		211,700	211,9
20 RE-ENTRY EQUIPMENT			
		795,485	795,4
47 MISCELLANEOUS	10,000	,	10,0
49 TANGIBLE EQUIP-ACQUISITIONS			
TOTAL INTANGIBLE COSTS \$	745,448	\$ 1,066,914	\$ 1,812,3
TOTAL ESTIMATED WELL COST	2 700 070	¢ 4044404	¢ 74400
TOTAL ESTIMATED WELL COST \$ 2	2,799,073	\$ 4,341,164	\$ 7,140,2

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F				



WELL NAME	Saturninus Fed Com 1510 215H	AFE TYPE	Development	AFE NUMBER	2015099
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	10106/ 17466'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling completion facilities and pipeline costs for 7	500' horizontal	well	•	

PROJEC	CIDESCRIPTION	Drilling, completion, facilities and pipeline costs	s for 7,500 nonzoniai	weii		
ACCT.		DESCRIPTION OF EXPENDITURE		COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$ 25,000
02	LOCATION & ROAD			73,125		73,125
	RIG MOVE DRILLING - FOOTAGE			30,000 40,000		30,000 40,000
	DRILLING - DAYWORK			338,000		338,000
06	COMPLETION/WORKOVE	R RIG		330,000		330,000
	COIL TUBING/SNUBBING				150,000	150,000
08	SLICKLINE/SWABBING	-				0
09	BITS			100,000	7,500	107,500
10	DIRECTIONAL SERVICES			170,000		170,000
11	CASING CREW			80,000		80,000
12	TOOL & EQUIPMENT REN	ITAL		176,000	150,000	326,000
	FUEL & POWER			130,500	75,000	205,500
	DIESEL - BASE FOR MUD MUD LOGGING & GEOLO			100,000 30,000		100,000 30,000
	DISPOSAL, RESTORATIO			108,000		108,000
17	TRUCKING	N & BACKI ILL		85,000	30,000	115,000
18	TESTING			00,000	00,000	110,000
	CEMENTING			90,000		90,000
20	PERFORATING				131,250	131,250
	CASED HOLE LOGS		-			0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500	87,500
23	OTHER STIMULATION					0
24	FORMATION STIMULATIO	N .			1,800,000	1,800,000
	CONSULTING SERVICES SUPERVISION			00.000	15,000 67,500	15,000
	CONTRACT LABOR			90,000	15,000	157,500 55,000
	OTHER LABOR			40,000	60,000	60,000
	COMPANY CONSULTING	SUPV			00,000	00,000
	WATER			40,000	637,500	677,500
31	FLUIDS & CHEMICALS			150,000	,	150,000
32	CORING & ANALYSIS					0
	COMMUNICATIONS			8,000	15,000	23,000
	BOP TESTING			15,000	15,000	30,000
	FISHING TOOLS & SERVI	CES		10.000	7.500	0
	INSPECTIONS			10,000	7,500	17,500
	WIRELINE SERVICES ENGINEERING & GEOLOG	CV FIELD				0
	ENGINEERING & GEOLO			15,000		15,000
	MULTISHOT & GYRO	51 - 611162		10,000		10,000
	RE-ENTRY SERVICES					0
43	CAMPS & TRAILERS			50,000	35,000	85,000
44	SAFETY EQUIPMENT & H	2S		10,000	7,500	17,500
	CONTINGENCY					0
	INSURANCE			0	3,000	3,000
	MISCELLANEOUS				15,000	15,000
49	SIM-OPS TOTAL INTANGIBLE COS	TS		\$ 2,053,625	\$ 3,274,250	\$ 5,327,875
	TOTAL INTANGIBLE COS	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	TANGIBLE 00010		\$ 20,000	COMIT LETION (600)	\$ 20,000
	CASING - SURFACE			15,631		15,631
	CASING - INTERMEDIATE			61,320		61,320
	CASING - INTERMEDIATE			326,625		326,625
05	CASING - PRODUCTION /	LINER		271,872		271,872
	SUBSURFACE EQUIPMENT	NT				0
	PRODUCTION TUBING	EQUIPMENT.				0
	SUBSURFACE PUMPING	EQUIPMENT		10.055		10.000
	WELLHEAD EQUIPMENT FLOWLINES			40,000		40,000
	SURFACE PUMPING EQU	IIPMENT				0
12	LINER HANGER & ASSOC					0
	VALVES & FITTINGS	- = 40			271,430	271,430
	RODS				2, .50	0
17	TRUCKING					0
	RE-ENTRY EQUIPMENT					0
	PRODUCTION EQUIPMEN	IT	-		795,485	795,485
	MISCELLANEOUS			10,000		10,000
49	TANGIBLE EQUIP-ACQUI			A		0
	TOTAL INTANGIBLE COS	18		\$ 745,448	\$ 1,066,914	\$ 1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,799,073	\$ 4,341,164	\$ 7,140,237
	i .			. , -		

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F				



WELL NAME	Saturninus Fed Com 1510 221H	AFE TYPE	Development	AFE NUMBER	2015100	
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22	
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	10236'/ 17596'	
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,500' horizontal well					

· ····································	CI DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,5	OU HOHZOHIAN	Well			
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)	_	
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$	25,000
	RIG MOVE			73,125 30,000			73,125 30,000
	DRILLING - FOOTAGE			40,000			40,000
	DRILLING - DAYWORK			338,000			338,000
	COMPLETION/WORKOVE	R RIG		000,000			0
07	COIL TUBING/SNUBBING	UNIT			150,000		150,000
80	SLICKLINE/SWABBING						0
	BITS			100,000	7,500		107,500
	DIRECTIONAL SERVICES			170,000			170,000
	CASING CREW	TAI		80,000	450,000		80,000
	TOOL & EQUIPMENT REN	ITAL		176,000	150,000		326,000
	FUEL & POWER DIESEL - BASE FOR MUD			130,500 100,000	75,000		205,500 100,000
	MUD LOGGING & GEOLO			30,000			30,000
	DISPOSAL, RESTORATIO			108,000			108,000
	TRUCKING			85,000	30,000		115,000
	TESTING						0
19	CEMENTING			90,000			90,000
20	PERFORATING				131,250		131,250
	CASED HOLE LOGS						0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500		87,500
	OTHER STIMULATION	A.I			4 000 000		1 000 000
	FORMATION STIMULATIC CONSULTING SERVICES	IN .			1,800,000 15,000		1,800,000 15,000
	SUPERVISION			90,000	67,500		157,500
	CONTRACT LABOR			40,000	15,000		55,000
	OTHER LABOR			10,000	60,000		60,000
	COMPANY CONSULTING	SUPV					0
30	WATER			40,000	637,500		677,500
31	FLUIDS & CHEMICALS			150,000			150,000
	CORING & ANALYSIS						0
	COMMUNICATIONS			8,000	15,000		23,000
	BOP TESTING	252		15,000	15,000		30,000
	FISHING TOOLS & SERVI	JES		10.000	7.500		17.500
	WIRELINE SERVICES			10,000	7,500		17,500 0
	ENGINEERING & GEOLO	GY - FIFI D					0
	ENGINEERING & GEOLOG			15,000			15,000
	MULTISHOT & GYRO			-,,,,,,,,			0
42	RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			50,000	35,000		85,000
	SAFETY EQUIPMENT & H	2S		10,000	7,500		17,500
	CONTINGENCY						0
	INSURANCE			0	3,000		3,000
	MISCELLANEOUS SIM-OPS				15,000		15,000 0
-	TOTAL INTANGIBLE COS	TS		\$ 2.053.625	\$ 3,274,250	\$	5,327,875
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		OTAL
01	CASING - CONDUCTOR			\$ 20,000	22(000)	\$	20,000
	CASING - SURFACE			15,631		·	15,631
	CASING - INTERMEDIATE			61,320			61,320
	CASING - INTERMEDIATE			326,625			326,625
	CASING - PRODUCTION /			271,872			271,872
	SUBSURFACE EQUIPMEN	NT					0
	PRODUCTION TUBING	FOLUDMENT					0
	SUBSURFACE PUMPING WELLHEAD EQUIPMENT	EQUIPIVIENI		40,000			40.000
	FLOWLINES			40,000			40,000
	SURFACE PUMPING EQU	IPMENT					0
	LINER HANGER & ASSOC						0
	VALVES & FITTINGS				271,430		271,430
	RODS						0
	TRUCKING						0
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	IT			795,485		795,485
	MISCELLANEOUS	CITIONS		10,000			10,000
	TANGIBLE EQUIP-ACQUIS			¢ 745.440	¢ 4000041	e	1 942 262
	TOTAL INTANGIBLE COS	<u> </u>		\$ 745,448	\$ 1,066,914	\$	1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,799,073	\$ 4,341,164	\$	7,140,237

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F:				



WELL NAME	Saturninus Fed Com 1510 222H	AFE TYPE	Development	AFE NUMBER	2015101	
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22	
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	10261'/ 17621'	
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,500' horizontal well					

PROJEC	CIDESCRIPTION	Drilling, completion, facilities and pipeline costs for 7	,500 nonzoniai	well			
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$	25,000
	LOCATION & ROAD			73,125			73,125
	RIG MOVE DRILLING - FOOTAGE			30,000 40,000			30,000 40,000
	DRILLING - DAYWORK			338,000			338,000
	COMPLETION/WORKOVE	R RIG		330,000			0
	COIL TUBING/SNUBBING				150,000		150,000
	SLICKLINE/SWABBING				,		0
09	BITS			100,000	7,500		107,500
	DIRECTIONAL SERVICES			170,000			170,000
	CASING CREW	TAI		80,000	450.000		80,000
	TOOL & EQUIPMENT REN	ITAL		176,000	150,000		326,000
	FUEL & POWER DIESEL - BASE FOR MUD			130,500 100,000	75,000		205,500 100,000
	MUD LOGGING & GEOLO	GIST		30,000			30,000
	DISPOSAL, RESTORATIO			108,000			108,000
	TRUCKING			85,000	30,000		115,000
18	TESTING						0
	CEMENTING			90,000			90,000
	PERFORATING				131,250		131,250
	CASED HOLE LOGS	DVICE		50.000	07.500		0 07 500
	DOWNHOLE TOOLS & SE OTHER STIMULATION	KVICE		50,000	37,500		87,500 0
	FORMATION STIMULATION	N			1,800,000		1,800,000
	CONSULTING SERVICES				15,000		15,000
	SUPERVISION			90,000	67,500		157,500
	CONTRACT LABOR			40,000	15,000		55,000
28	OTHER LABOR				60,000		60,000
	COMPANY CONSULTING	SUPV					0
	WATER			40,000	637,500		677,500
	FLUIDS & CHEMICALS			150,000			150,000
	CORING & ANALYSIS COMMUNICATIONS			8,000	15,000		23,000
	BOP TESTING			15,000	15,000		30,000
	FISHING TOOLS & SERVI	CES		10,000	.0,000		0
	INSPECTIONS	-		10,000	7,500		17,500
38	WIRELINE SERVICES						0
	ENGINEERING & GEOLO						0
	ENGINEERING & GEOLO	GY - OFFICE		15,000			15,000
	MULTISHOT & GYRO						0
	RE-ENTRY SERVICES CAMPS & TRAILERS			50,000	35,000		85,000
	SAFETY EQUIPMENT & H	2S		10,000	7,500		17,500
	CONTINGENCY			10,000	7,000		0
	INSURANCE			0	3,000		3,000
47	MISCELLANEOUS				15,000		15,000
	SIM-OPS						0
	TOTAL INTANGIBLE COS			\$ 2,053,625	. , ,	\$	5,327,875
01	CASING CONDUCTOR	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	ď	TOTAL 20,000
	CASING - CONDUCTOR CASING - SURFACE			\$ 20,000 15,631		\$	20,000 15,631
	CASING - SURFACE CASING - INTERMEDIATE			61,320			61,320
	CASING - INTERMEDIATE			326,625			326,625
	CASING - PRODUCTION /			271,872			271,872
06	SUBSURFACE EQUIPMEN	NT					0
	PRODUCTION TUBING						0
	SUBSURFACE PUMPING	EQUIPMENT					0
	WELLHEAD EQUIPMENT			40,000			40,000
	FLOWLINES	IDMENT				-	0
	SURFACE PUMPING EQU LINER HANGER & ASSOC						0
	VALVES & FITTINGS	LXOII			271,430		271,430
	RODS				2,100		0
	TRUCKING						0
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	IT			795,485		795,485
	MISCELLANEOUS			10,000			10,000
	TANGIBLE EQUIP-ACQUI			A =4= 4:0	A 1000 C 11		0
	TOTAL INTANGIBLE COS	13		\$ 745,448	\$ 1,066,914	\$	1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,799,073	\$ 4,341,164	\$	7,140,237
				•	•	-	

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_	_	
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI E.				



WELL NAME	Saturninus Fed Com 1510 225H	AFE TYPE	Development	AFE NUMBER	2015102	
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	22	
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	10281'/ 17641'	
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,500' horizontal well					

PROJEC	CIDESCRIPTION	Drilling, completion, facilities and pipeline costs for 7	,500 nonzoniai	well			
ACCT.		DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$	25,000
	LOCATION & ROAD			73,125			73,125
	RIG MOVE DRILLING - FOOTAGE			30,000 40,000			30,000 40,000
	DRILLING - DAYWORK			338,000			338,000
	COMPLETION/WORKOVE	R RIG		330,000			0
	COIL TUBING/SNUBBING				150,000		150,000
	SLICKLINE/SWABBING				,		0
09	BITS			100,000	7,500		107,500
	DIRECTIONAL SERVICES			170,000			170,000
	CASING CREW	TAI		80,000	450.000		80,000
	TOOL & EQUIPMENT REN	ITAL		176,000	150,000		326,000
	FUEL & POWER DIESEL - BASE FOR MUD			130,500 100,000	75,000		205,500 100,000
	MUD LOGGING & GEOLO	GIST		30,000			30,000
	DISPOSAL, RESTORATIO			108,000			108,000
	TRUCKING			85,000	30,000		115,000
18	TESTING						0
	CEMENTING			90,000			90,000
	PERFORATING				131,250		131,250
	CASED HOLE LOGS	DVICE		50.000	07.500		0 07 500
	DOWNHOLE TOOLS & SE OTHER STIMULATION	KVICE		50,000	37,500		87,500 0
	FORMATION STIMULATION	N			1,800,000		1,800,000
	CONSULTING SERVICES				15,000		15,000
	SUPERVISION			90,000	67,500		157,500
	CONTRACT LABOR			40,000	15,000		55,000
28	OTHER LABOR				60,000		60,000
	COMPANY CONSULTING	SUPV					0
	WATER			40,000	637,500		677,500
	FLUIDS & CHEMICALS			150,000			150,000
	CORING & ANALYSIS COMMUNICATIONS			8,000	15,000		23,000
	BOP TESTING			15,000	15,000		30,000
	FISHING TOOLS & SERVI	CES		10,000	.0,000		0
	INSPECTIONS	-		10,000	7,500		17,500
38	WIRELINE SERVICES						0
	ENGINEERING & GEOLO						0
	ENGINEERING & GEOLO	GY - OFFICE		15,000			15,000
	MULTISHOT & GYRO						0
	RE-ENTRY SERVICES CAMPS & TRAILERS			50,000	35,000		85,000
	SAFETY EQUIPMENT & H	2S		10,000	7,500		17,500
	CONTINGENCY			10,000	7,000		0
	INSURANCE			0	3,000		3,000
47	MISCELLANEOUS				15,000		15,000
	SIM-OPS						0
	TOTAL INTANGIBLE COS			\$ 2,053,625	. , ,	\$	5,327,875
01	CASING CONDUCTOR	TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)	ď	TOTAL 20,000
	CASING - CONDUCTOR CASING - SURFACE			\$ 20,000 15,631		\$	20,000 15,631
	CASING - SURFACE CASING - INTERMEDIATE			61,320			61,320
	CASING - INTERMEDIATE			326,625			326,625
	CASING - PRODUCTION /			271,872			271,872
06	SUBSURFACE EQUIPMEN	NT					0
	PRODUCTION TUBING						0
	SUBSURFACE PUMPING	EQUIPMENT					0
	WELLHEAD EQUIPMENT			40,000			40,000
	FLOWLINES	IDMENT				-	0
	SURFACE PUMPING EQU LINER HANGER & ASSOC						0
	VALVES & FITTINGS	LXOII			271,430		271,430
	RODS				2,100		0
	TRUCKING						0
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	IT			795,485		795,485
	MISCELLANEOUS			10,000			10,000
	TANGIBLE EQUIP-ACQUI			A =4= 4:0	A 1000 C 11		0
	TOTAL INTANGIBLE COS	13		\$ 745,448	\$ 1,066,914	\$	1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,799,073	\$ 4,341,164	\$	7,140,237
				•	•	-	

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F:				



WELL NAME	Saturninus Fed Com 1510 231H	AFE TYPE	Development	AFE NUMBER	2015103	
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	24	
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10946'/ 18306'	
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico	
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 7,500' horizontal well					

PROJEC	CI DESCRIPTION	Drilling, completion, facilities and pipeline costs for	7,500 Honzoniai	weii			
ACCT.	<u> </u>	DESCRIPTION OF EXPENDITURE			COST ESTIMATE		
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000		\$	25,000
	LOCATION & ROAD			73,125			73,125
	RIG MOVE			30,000			30,000
	DRILLING - FOOTAGE DRILLING - DAYWORK			40,000 364,000			40,000 364,000
	COMPLETION/WORKOVE	R RIG		304,000			304,000
	COIL TUBING/SNUBBING				150,000		150,000
	SLICKLINE/SWABBING				,		0
09	BITS			100,000	7,500		107,500
10	DIRECTIONAL SERVICES			190,000			190,000
	CASING CREW			80,000			80,000
	TOOL & EQUIPMENT REN	ITAL		192,000	150,000		342,000
	FUEL & POWER			139,500	75,000		214,500
	DIESEL - BASE FOR MUD	0.07		100,000			100,000
	MUD LOGGING & GEOLO			34,000			34,000
	DISPOSAL, RESTORATIO	N & BACKFILL		108,000	20.000		108,000
	TRUCKING TESTING			85,000	30,000		115,000
	CEMENTING			90,000			90,000
	PERFORATING			90,000	131,250		131,250
	CASED HOLE LOGS				101,200		0
	DOWNHOLE TOOLS & SE	RVICE		50,000	37,500		87,500
	OTHER STIMULATION	-		,	,,,,,,,,		0
24	FORMATION STIMULATION	N			1,800,000		1,800,000
	CONSULTING SERVICES				15,000		15,000
	SUPERVISION			90,000	67,500		157,500
	CONTRACT LABOR			40,000	15,000		55,000
	OTHER LABOR				60,000		60,000
	COMPANY CONSULTING	SUPV		40.000	207.500		0
	WATER			40,000	637,500		677,500
	FLUIDS & CHEMICALS CORING & ANALYSIS			150,000			150,000
	COMMUNICATIONS			8,000	15,000		23,000
	BOP TESTING			15,000	15,000		30,000
	FISHING TOOLS & SERVI	CES		.0,000	10,000		0
	INSPECTIONS	<u></u>		10,000	7,500		17,500
	WIRELINE SERVICES			-,	,,,,,,		0
39	ENGINEERING & GEOLOG	GY - FIELD					0
40	ENGINEERING & GEOLOG	GY - OFFICE		15,000			15,000
	MULTISHOT & GYRO						0
	RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			50,000	35,000		85,000
	SAFETY EQUIPMENT & H	2S		10,000	7,500		17,500
	CONTINGENCY			0	2.000		3,000
	INSURANCE MISCELLANEOUS			10,000	3,000 15,000		25,000
	SIM-OPS			10,000	13,000		23,000
	TOTAL INTANGIBLE COS	TS		\$ 2,138,625	\$ 3,274,250	\$	5,412,875
		TANGIBLE COSTS		DRILLING (400)	COMPLETION (600)		TOTAL
01	CASING - CONDUCTOR			\$ 20,000	, ,	\$	20,000
02	CASING - SURFACE			15,631			15,631
	CASING - INTERMEDIATE			61,320			61,320
	CASING - INTERMEDIATE			326,625			326,625
	CASING - PRODUCTION /			271,872			271,872
	SUBSURFACE EQUIPMEN	NI					0
	PRODUCTION TUBING	EOLIIDMENT					0
	SUBSURFACE PUMPING WELLHEAD EQUIPMENT	EQUIFIVIENT		40,000		-	40,000
	FLOWLINES			40,000			40,000
	SURFACE PUMPING EQU	IPMENT					0
	LINER HANGER & ASSOC						0
	VALVES & FITTINGS	***			271,430		271,430
	RODS				,		0
	TRUCKING						0
20	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	IT		-	795,485		795,485
	MISCELLANEOUS			10,000			10,000
	TANGIBLE EQUIP-ACQUIS					_	0
	TOTAL INTANGIBLE COS	18		\$ 745,448	\$ 1,066,914	\$	1,812,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,884,073	\$ 4,341,164	\$	7,225,237
				. ,,	,,-,,-	1 "	, =-,==-

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F:				



WELL NAME	Saturninus Fed Com 1510 232H	AFE TYPE	Development	AFE NUMBER	2015104
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	24
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10961'/ 18321'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling completion facilities and pipeline costs for 7	500' horizontal	well		

	Diffilling, completion, facilities and pipeline costs for 7,500			
ACCT.	DESCRIPTION OF EXPENDITURE		COST ESTIMATE	I
CODE	INTANGIBLE COSTS	DRILLING (300)	COMPLETION (500)	ф опоо
	SURVEY/PERMITS/DAMAGES/LEGAL LOCATION & ROAD	\$ 25,000 73,125		\$ 25,000 73,125
	RIG MOVE	30,000		30,000
	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	364,000		364,000
06	COMPLETION/WORKOVER RIG			0
	COIL TUBING/SNUBBING UNIT		150,000	150,000
	SLICKLINE/SWABBING	400,000	7.500	0
	BITS DIRECTIONAL SERVICES	100,000	7,500	107,500 190,000
	CASING CREW	80,000		80,000
	TOOL & EQUIPMENT RENTAL	192,000	150,000	342,000
	FUEL & POWER	139,500	75,000	214,500
14	DIESEL - BASE FOR MUD	100,000		100,000
15	MUD LOGGING & GEOLOGIST	34,000		34,000
	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
	TRUCKING	85,000	30,000	115,000
	TESTING	00.000		0
	CEMENTING PERFORATING	90,000	121 250	90,000
	CASED HOLE LOGS		131,250	131,250
	DOWNHOLE TOOLS & SERVICE	50,000	37,500	87,500
	OTHER STIMULATION	23,300	3.,550	0
24	FORMATION STIMULATION		1,800,000	1,800,000
	CONSULTING SERVICES		15,000	15,000
	SUPERVISION	90,000	67,500	157,500
	CONTRACT LABOR	40,000	15,000	55,000
	OTHER LABOR		60,000	60,000
	COMPANY CONSULTING/SUPV WATER	40,000	637,500	677,500
	FLUIDS & CHEMICALS	150,000	037,300	150,000
	CORING & ANALYSIS	100,000		0
	COMMUNICATIONS	8,000	15,000	23,000
34	BOP TESTING	15,000	15,000	30,000
	FISHING TOOLS & SERVICES			0
	INSPECTIONS	10,000	7,500	17,500
	WIRELINE SERVICES			0
	ENGINEERING & GEOLOGY - FIELD ENGINEERING & GEOLOGY - OFFICE	15,000		15,000
	MULTISHOT & GYRO	13,000		0
	RE-ENTRY SERVICES			0
	CAMPS & TRAILERS	50,000	35,000	85,000
	SAFETY EQUIPMENT & H2S	10,000	7,500	17,500
	CONTINGENCY			0
	INSURANCE	0	3,000	3,000
	MISCELLANEOUS	10,000	15,000	25,000
	SIM-OPS TOTAL INTANGIBLE COSTS	\$ 2,138,625	\$ 3,274,250	5,412,875
	TANGIBLE COSTS	DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
	CASING - SURFACE	15,631		15,631
	CASING - INTERMEDIATE	61,320		61,320
	CASING - INTERMEDIATE 2	326,625		326,625
	CASING - PRODUCTION / LINER	271,872		271,872
	SUBSURFACE EQUIPMENT PRODUCTION TUBING			0
	SUBSURFACE PUMPING EQUIPMENT			0
	WELLHEAD EQUIPMENT	40,000		40,000
	FLOWLINES	.3,000		0
	SURFACE PUMPING EQUIPMENT			0
	LINER HANGER & ASSOC EQUIP			0
	VALVES & FITTINGS		271,430	271,430
	RODS			0
	TRUCKING DE ENTRY EQUIDMENT			0
	RE-ENTRY EQUIPMENT PRODUCTION EQUIPMENT		795,485	795,485
	MISCELLANEOUS	10,000	190,400	10,000
	TANGIBLE EQUIP-ACQUISITIONS	10,000		0
	TOTAL INTANGIBLE COSTS	\$ 745,448	\$ 1,066,914	\$ 1,812,362
	TOTAL ESTIMATED WELL COST	¢ 0.004.070	\$ 4,341,164	
	TOTAL CALIVIATED WELL GUAT	\$ 2,884,073	4.541.164	

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F:				



WELL NAME	Saturninus Fed Com 1510 235H	AFE TYPE	Development	AFE NUMBER	2015105
LATERAL LOCATION	Section 15 & 10 of T23S R29E	FIELD	Northern Delaware	DRILLING DAYS	24
SURFACE LOCATION	Section 15 of T23S R29E	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10976'/ 18336'
BOTTOM-HOLE LOCATION	Section 10 of T23S R29E	COUNTY	Eddy County	STATE	New Mexico
DRO IECT DESCRIPTION	Drilling completion facilities and nineline costs for 7	500' horizontal	well		

PROJEC	CIDESCRIPTION	Drilling, completion, facilities and pipeline cost	s for 7,500 horizontal	well			
ACCT.	ACCT. DESCRIPTION OF EXPENDITURE COST ESTIMATE			COST ESTIMATE			
CODE		INTANGIBLE COSTS		DRILLING (300)	COMPLETION (500)		
	SURVEY/PERMITS/DAMA	GES/LEGAL		\$ 25,000			5,000
02	LOCATION & ROAD			73,125			3,125
	RIG MOVE DRILLING - FOOTAGE			30,000 40,000			0,000
	DRILLING - DAYWORK			364,000			1,000
06	COMPLETION/WORKOVE	R RIG		001,000		001	0
	COIL TUBING/SNUBBING				150,000	150	0,000
08	SLICKLINE/SWABBING						0
	BITS			100,000	7,500		7,500
	DIRECTIONAL SERVICES			190,000			0,000
11	CASING CREW	ITAL		80,000	450,000		0,000
12 13	TOOL & EQUIPMENT REN	NIAL		192,000 139,500	150,000 75,000		2,000 1,500
	DIESEL - BASE FOR MUD			100,000	73,000		0,000
	MUD LOGGING & GEOLO			34,000			1,000
16	DISPOSAL, RESTORATIO	N & BACKFILL		108,000			3,000
17	TRUCKING			85,000	30,000	115	5,000
18	TESTING						0
	CEMENTING			90,000			0,000
	PERFORATING				131,250	131	1,250
	CASED HOLE LOGS DOWNHOLE TOOLS & SE	:RV/ICE		50,000	37,500	07	7,500
23	OTHER STIMULATION	INVICE		50,000	37,500	87	0,500
24	FORMATION STIMULATION	N .			1,800,000	1,800	_
	CONSULTING SERVICES	••			15,000		5,000
	SUPERVISION			90,000	67,500		7,500
27	CONTRACT LABOR			40,000	15,000	55	5,000
	OTHER LABOR				60,000	60	0,000
	COMPANY CONSULTING	/SUPV					0
	WATER			40,000	637,500		7,500
	FLUIDS & CHEMICALS CORING & ANALYSIS			150,000		150	0,000
	COMMUNICATIONS			8,000	15,000	23	3,000
	BOP TESTING			15,000	15,000		0,000
	FISHING TOOLS & SERVI	CES		-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			0
37	INSPECTIONS			10,000	7,500	17	7,500
	WIRELINE SERVICES						0
	ENGINEERING & GEOLO						0
	ENGINEERING & GEOLO	GY - OFFICE		15,000		15	5,000
	MULTISHOT & GYRO RE-ENTRY SERVICES						0
	CAMPS & TRAILERS			50,000	35,000	85	5,000
44	SAFETY EQUIPMENT & H	2S		10,000	7,500		7,500
	CONTINGENCY			.,	,,,,,,		0
46	INSURANCE			0	3,000	3	3,000
47	MISCELLANEOUS			10,000	15,000	25	5,000
49	SIM-OPS						0
	TOTAL INTANGIBLE COS			\$ 2,138,625		\$ 5,412	2,875
01	CASING CONDUCTOR	TANGIBLE COSTS		DRILLING (400) \$ 20,000	COMPLETION (600)	* 20	000
	CASING - CONDUCTOR CASING - SURFACE			\$ 20,000 15,631			0,000 5,631
	CASING - INTERMEDIATE			61,320			1,320
	CASING - INTERMEDIATE			326,625			6,625
	CASING - PRODUCTION /			271,872			1,872
06	SUBSURFACE EQUIPMEN	NT					0
	PRODUCTION TUBING						0
	SUBSURFACE PUMPING	EQUIPMENT					0
	WELLHEAD EQUIPMENT			40,000		40	0,000
	FLOWLINES SURFACE PUMPING EQU	IIPMENT					0
12	LINER HANGER & ASSOC						0
	VALVES & FITTINGS	, EQUII			271,430	271	1,430
	RODS				2, 100		0
17	TRUCKING						0
	RE-ENTRY EQUIPMENT						0
	PRODUCTION EQUIPMEN	NT			795,485		5,485
	MISCELLANEOUS			10,000		10	0,000
49	TANGIBLE EQUIP-ACQUI						0
	TOTAL INTANGIBLE COS	19		\$ 745,448	\$ 1,066,914	\$ 1,812	2,362
	TOTAL ESTIMATED W	ELL COST		\$ 2,884,073	\$ 4,341,164	\$ 7,225,	,237
	•			*	· · · · · · · · · · · · · · · · · · ·	•	

PREPARED BY:	Alex Bourland & Paul Jobe	Senior Operations Engineers	DATE:	4/21/2021
OPERATOR APPROVAL:		_coo	DATE:	
OPERATOR APPROVAL:		CEO or CFO	DATE:	
		_		
PARTNER COMPANY NAME:				
PARTNER APPROVAL:			DATE:	
TITI F				



Summary of Communication w/ Titus

- April 27, 2021: Novo sent proposal letter and updated AFEs for "Saturninus" wells.
 In the letter, Novo explained that Novo was proposing to remove the NW/4 of Section 10 from the "Saturninus" pooled units, making the wells 1.5-mile laterals
- April 28, 2021: Titus received the above proposal letter and AFEs
- May 20, 2021: Brandon Patrick sent email to Walt Jones. In the email, Brandon explained that Novo was proposing to remove the NW/4 of Sec. 10 from the "Saturninus" units. He also asked if Titus would be willing to execute a JOA.
- June 8, 2021: Walt Jones sent email to Brandon Patrick. In the email, Walt asked Brandon if he had any comments to the JOA terms that Walt requested on February 4, 2020.
- June 9, 2021: Brandon Patrick sent email to Walt Jones. In that email, Brandon attached a prior email dated February 10, 2020 from Brandon to Walt that stated Novo cannot accept Titus's request to contractually limit Novo's development to no more than 9 wells in "Saturninus"

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C6
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

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

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21209 & R-21209-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21974

(formerly Cases 21038, 21741)

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21210 & 21210-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21975

(formerly Cases 21039, 21742)

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO AMEND ORDER NOS. R-21211 & R-21211-A, EDDY COUNTY, NEW MEXICO.

CASE NO. 21976

(formerly Cases 21040, 21743)

<u>AFFIDAVIT</u>

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 28th day of June, 2021 by Kaitlyn A.

Luck.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

Notary Public

My Commission Expires:

Tanony 28, 2023

OFFICIAL SEAL
ANNA K. STORM
NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires: Va



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

June 11, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware, LLC to Amend Order Nos.

R-21209 & R-21209-A, Eddy County, New Mexico. Saturninus Fed Com 1510 #121H and #131H 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.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on July 1, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brandon Patrick, at (405) 286-4197 or bpatrick@novoog.com.

Sincerely.

Michael H. Feldewert

ATTORNEY FOR NOVO OIL & GAS NORTHERN

DELAWARE, LLC



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

June 11, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware, LLC to Amend Order Nos.

R-21210 & 21210-A, Eddy County, New Mexico. Saturninus Fed Com 1510 #122H and #132H 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.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on July 1, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brandon Patrick, at (405) 286-4197 or bpatrick@novoog.com.

Sincerely.

Michael H. Feldewert

ATTORNEY FOR NOVO OIL & GAS NORTHERN

DELAWARE, LLC



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

June 11, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Application of Novo Oil & Gas Northern Delaware, LLC to Amend Order Nos.

R-21211 & R-21211-A, Eddy County, New Mexico.

Saturninus Fed Com 1510 #211, #212, #215H, #221H, #222H, #225H, #231H,

#232H, #235H wells

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on July 1, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brandon Patrick, at (405) 286-4197 or bpatrick@novoog.com.

Sincerely,

Michael H. Feldewert

rus la celleres

ATTORNEY FOR NOVO OIL & GAS NORTHERN

DELAWARE, LLC



Michael H. Feldewert Phone (505) 988-4421

Fax (505) 983-6043 mfeldewert@hollandhart.com

June 11, 2021

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

TO: VERTICAL OFFSETS

Re: Applications of Novo Oil & Gas Northern Delaware, LLC to Amend Order

Nos. R-21209, R-21209-A, R-21210, R-21210-A, R-21211, and R-21211-A,

Eddy County, New Mexico.

Saturninus Fed Com 15 #121H, #122H, #131H, #132H, #211H, #212H, #221H,

#222H, #225H, #231H, #232H, #235H wells

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. Your interest is not being pooled by this application. You are receiving this notice because you own an interest in the Bone Spring formation that is not being included in the horizontal spacing unit.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on July 1, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Brandon Patrick, at (405) 286-4197 or bpatrick@novoog.com.

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

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

Michael H. Feldewert

Judden Telleres

ATTORNEY FOR NOVO OIL & GAS NORTHERN DELAWARE, LLC

16870573_v1

Novo - Saturninus Case Nos. 21974-21976

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to an individual at the address at 12:28
9414811898765802384734	Quientesa Royalty, LP	508 W Wall St Ste 1220	Midland	TX	79701-5086	pm on June 15, 2021 in MIDLAND, TX 79701.
						Your item was delivered to an individual at the address at 12:28
9414811898765802384789	Rubicon Oil & Gas LLC	508 W Wall St Ste 1220	Midland	TX	79701-5086	pm on June 15, 2021 in MIDLAND, TX 79701.
	Michael D. Hayes & Kathryn A. Hayes, Co-Trustees Of					Your item was delivered to an individual at the address at 2:20 pm
9414811898765802384741	The Hayes Revocable Trust	3608 Meadowridge Ln	Midland	TX	79707-4543	on June 15, 2021 in MIDLAND, TX 79707.
	Lenox Mineral Title Holdings Inc solely in its Capacity					
	As The Nominee Holder Of Legal Title As Agent For					Your item was delivered to an individual at the address at 11:59 am
9414811898765802384796	The Benefit Of Lenox Minerals LLC	100 Throckmorton St Ste 1630	Fort Worth	TX	76102-2846	on June 15, 2021 in FORT WORTH, TX 76102.
	Lenox Mineral Title Holdings Inc solely in its Capacity					
	As The Nominee Holder Of Legal Title As Agent For					Your package will arrive later than expected, but is still on its way.
9414811898765802384703	The Benefit Of Lenox Minerals LLC	1701 Post Oak Blvd No 171	Houston	TX	77056	It is currently in transit to the next facility.
						Your item was delivered to an individual at the address at 10:35 am
9414811898765802384727	Novo Minerals, LP	1001 W Wilshire Blvd Ste 206	Oklahoma City	OK	73116-7058	on June 18, 2021 in OKLAHOMA CITY, OK 73116.
	Titus Oil & Gas Corporation, nominee holder of legal					
	Title as agent for the Benefit of Titus Oil & Gas					Your item was delivered to an individual at the address at 11:59 am
9414811898765802384765	Production, LLC	100 Throckmorton St Ste 1630	Fort Worth	TX	76102-2846	on June 15, 2021 in FORT WORTH, TX 76102.

Received by OCD: 6/29/2021 5:56:15 PM

Novo - Saturninus - Postal Delivery Report Case Nos. 21974-21976 - Vertical offset

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered at 8:33 am on June
9414811898765802384963	COG Operating, LLC	600 W Illinois Ave One Concho Center	Midland	TX	79701-4882	16, 2021 in MIDLAND, TX 79701.
						Your item was delivered at 1:53 pm on June
9414811898765802384956	Wade Petroleum Corporation	9 Broken Arrow Pl	Sandia Park	NM	87047-8548	21, 2021 in SANDIA PARK, NM 87047.
						Your item was picked up at the post office at
						1:06 pm on June 15, 2021 in SEALY, TX
9414811898765802384918	McCully-Chapman, Inc.	PO Box 1389	Sealy	TX	77474-1389	77474.

Carlsbad Current Argus.

Affidavit of Publication Ad # 0004781080 This is not an invoice

HOLLAND AND 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:

06/16/2021

Legal Clerk

Subscribed and sworn before me this June 16, 2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004781080 PO #: Nova Saturninus 121H 13th # of Affidavits1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Novo Oil & Gas, LLC
Hearing Date: July 01, 2021
Case Nos. 21974-21976

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, July 1, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than June 21, 2021.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID =e27ab61b7f5ad68b04d4652ecf5502112 Event number: 187 606 9449 Event password: cMbpmxsh633

Join by video: 1876069449@nmemnrd.webex.com Numeric Password: 359882 You can also dial 173.243.2.68 and enter your meeting numher

Join by audio: 1-844-992-4726 United States Toll Free Access code: 187 606 9449

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: Titus Oil & Gas Corporation, nominee holder of legal Title as agent for the Benefit of Titus Oil & Gas Production, LLC; McCully-Chapman, Inc.; Wade Petroleum Corporation; COG Operating, LLC; Novo Minerals, LP; Lenox Mineral Title Holdings, Inc., solely in its capacity as the nominee holder of legal title as agent for the benefit of Lenox Minerals, LLC; Michael D. Hayes & Kathryn A. Hayes, Co-trustees of the Hayes Revocable Trust; Rubicon Oil & Gas LLC; and Quientesa Royalty, LP.

Case No. 21974: Application of Novo Oil & Gas Northern Delaware, LLC to Amend Order Nos. R-21209 & R-21209-A, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order Nos. R-21209 and R-21209-A ("Orders") to approve a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 10, and the W/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and pooling all interests under the terms of the Orders. Order No. R-21209 pooled the uncommitted interests in the Bone Spring formation (Laguna Salado; Bone Spring (96721)) from a depth of 7,839 to the base of the formation, and dedicated the Unit to the proposed initial wells, both of which will be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 15 to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 10: (1) the Saturninus Fed Com 1510 #121H well, and (2) the Saturninus Fed Com 1510 #131H well. Said area is located approximately 8 miles east of Loving, New Mexico.

#4781080, Current Argus, June 16, 2021



Affidavit of Publication Ad # 0004781115 This is not an invoice

HOLLAND AND 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:

06/16/2021

Legal Clerk

Subscribed and sworn before me this June 16, 2021

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004781115 PO #: Novo Saturniunus 122H 132H # of Affidavits1

This is not an invoice

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, July 1, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Docuw.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us.or the New Mayiro Polay Network at 1,800.650,1779. , or the New Mexico Relay Network at 1-800-659-1779, no later than June 21, 2021.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID =e27ab61b7f5ad68b04d4652ecf5502112 Event number: 187 606 9449 Event password: cMbpmxsh633

Join by video: 1876069449@nmemnrd.webex.com

Numeric Password: 359882 You can also dial 173.243.2.68 and enter your meeting num-

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

Access code: 187 606 9449

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: Titus Oil & Gas Corporation, nominee holder of legal Title as agent for the Benefit of Titus Oil & Gas Production, LLC; McCully-Chapman, Inc.; Wade Petroleum Corporation; COG Operating, LLC; Novo Minerals, LP; Lenox Mineral Title Holdings, Inc., solely in its capacity as the nominee holder of legal title as agent for the benefit of Lenox Minerals, LLC; Michael D. Hayes & Kathryn A. Hayes, Co-trustees of the Hayes Revocable Trust; Rubicon Oil & Gas ILC; and Ouientesa Royalty, LP. LLC; and Quientesa Royalty, LP.

Case No. 21975: Application of Novo Oil & Gas Northern Delaware, LLC to Amend Order Nos. R-21210 & 21210-A, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order Nos. R-21210 and R-21210-A ("Orders") to approve a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 10, and the E/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and pooling all interests under the terms of the Orders. Order No. R-21210 pooled the uncommitted interests in the Bone Spring formation. (Laguna Salado: Bone Spring (96721)) from a 21210 pooled the uncommitted interests in the Bone Spring formation (Laguna Salado; Bone Spring (96721)) from a depth of 7,839 to the base of the formation, and dedicated the Unit to the proposed initial wells, both of which will be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 15 to bottom hole locations in the NE/4 SW/4 (Unit K) of Section 10: (1) the Saturninus Fed Com 1510 #132H well, and (2) the Saturninus Fed Com 1510 #132H well Said area is located approximately 8 miles east of Loving New Mexico. east of Loving, New Mexico.

#4781115, Current Argus, June 16, 2021

Carlsbad Current Argus.

Affidavit of Publication Ad # 0004781129 This is not an invoice

HOLLAND AND 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:

06/16/2021

Subscribed and sworn before me this June 16, 2021:

State of WI, County of Brown NOTARY PUBLIC

NOTART FUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004781129 PO #: Novo Saturninus 211H-235H # of Affidavits 1

This is not an invoice

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

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https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID =e27ab61b7f5ad68b04d452ecf5502112 Event number: 187 606 9449 Event password: cMbpmxsh633

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Access code: 187 606 9449

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

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

To: All overriding royalty interest owners and pooled par-ties, including: Titus Oil & Gas Corporation, nominee holder ties, including: Titus Oil & Gas Corporation, nominee holder of legal Title as agent for the Benefit of Titus Oil & Gas Production, LLC; McCully-Chapman, Inc.; Wade Petroleum Corporation; COG Operating, LLC; Novo Minerals, LP; Lenox Mineral Title Holdings, Inc., solely in its capacity as the nominee holder of legal title as agent for the benefit of Lenox Minerals, LLC; Michael D. Hayes & Kathryn A. Hayes, Co-trustees of the Hayes Revocable Trust; Rubicon Oil & Gas LLC; and Quientesa Royalty, LP.

Case No. 21976: Application of Novo Oil & Gas Northern Delaware, LLC to Amend Order Nos. R-21211 & 21211-A, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order Nos. R-21211 and 21211-A to approve a standard 480-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 10, and the W/2 W/2 of Section 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and pooling all interests under the terms of the Orders. Order No. R-21211 pooled the uncommitted interests in the in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool), and dedicated the Unit to the following proposed initial wells:

tion (Purple Sage-Wolfcamp Gas Pool), and dedicated the Unit to the following proposed initial wells:

• The Saturninus Fed Com 1510 #211H Well, the Saturninus Fed Com 1510 #221H Well, the Saturninus Fed Com 1510 #221H Well, and the Saturninus Fed Com 1510 #231H Well, and the Saturninus Fed Com 1510 #232H Well, each of which will be horizontally drilled from a common surface location in the SW/4 SW/4 (Unit M) of Section 15 to bottom hole locations in the NW/4 SW/4 (Unit L) of Section 10.

• The Saturnius Fed Com 1510 #215H Well the Saturnius Fed Com 1510 #21

 The Saturninus Fed Com 1510 #215H Well, the Saturninus Fed Com 1510 #222H Well, the Saturninus Fed Com 1510 #222H Well, the Saturninus Fed Com 1510 #225H Well, and the Saturninus Fed Com 1510 #235H Well, each of which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 15 to a bottom hole location in the NE/4 SW/4 (Unit K) of Section 10.

Said area is located approximately 8 miles east of Loving,

#4781129, Current Argus, June 16, 2021