

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING APRIL 07, 2022**

CASE NO. 22615

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

EDDY COUNTY, NEW MEXICO



NOVO

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

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

CASE NO. 22615

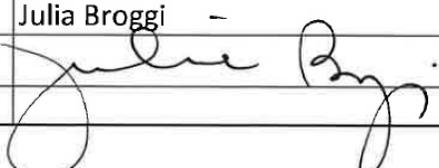
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COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

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

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

Proof of Published Notice of Hearing (10 days before hearing)	Novo Exhibit E
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Novo Exhibit A-2
Tract List (including lease numbers and owners)	Novo Exhibit A-2
Pooled Parties (including ownership type)	Novo Exhibit A-2
Unlocatable Parties to be Pooled	Yes
Ownership Depth Severance (including percentage above & below)	n/a
Joinder	
Sample Copy of Proposal Letter	Novo Exhibit A-3
List of Interest Owners (ie Exhibit A of JOA)	Novo Exhibit A-2
Chronology of Contact with Non-Joined Working Interests	Novo Exhibit A-4
Overhead Rates In Proposal Letter	Novo Exhibit A-3
Cost Estimate to Drill and Complete	Novo Exhibit A-3
Cost Estimate to Equip Well	Novo Exhibit A-3
Cost Estimate for Production Facilities	Novo Exhibit A-3
Geology	
Summary (including special considerations)	Novo Exhibit B
Spacing Unit Schematic	Novo Exhibits A-2, B-1
Gunbarrel/Lateral Trajectory Schematic	n/a
Well Orientation (with rationale)	Novo Exhibit B
Target Formation	Novo Exhibits B, B-4
HSU Cross Section	Novo Exhibit B-4
Depth Severance Discussion	n/a
Forms, Figures and Tables	
C-102	Novo Exhibit A-1
Tracts	Novo Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Novo Exhibit A-2
General Location Map (including basin)	Novo Exhibit A-2, B-1
Well Bore Location Map	Novo Exhibit A-2, B-1
Structure Contour Map - Subsea Depth	Novo Exhibits B-2, B-3
Cross Section Location Map (including wells)	Novo Exhibit B-4
Cross Section (including Landing Zone)	Novo Exhibit B-4
Additional Information	
Special Provisions/Stipulations	none
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Julia Broggi
Signed Name (Attorney or Party Representative):	
Date:	5-Apr-22

**ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

CASE NO. 22615

APPLICATION

Novo Oil & Gas Northern Delaware, LLC (“Applicant”) (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interest in the Wolfcamp formation [Purple Sage; Wolfcamp (Gas) (98220)] underlying a standard 316.80-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, Applicant states:

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

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

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

- **Otis Fee 07 212H** well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
 5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the horizontal spacing unit should be pooled and Applicant should be designated the operator of this proposed horizontal well spacing unit.

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

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

Respectfully submitted,

HOLLAND & HART LLP

By: 

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

**ATTORNEYS FOR NOVO OIL & GAS NORTHERN
DELAWARE, LLC**

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

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

CASE NO. 22615

AFFIDAVIT OF BRANDON PATRICK
IN SUPPORT OF CASE NO. 22615

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

1. My name is Brandon Patrick. I work for Novo Oil & Gas Northern Delaware, LLC (Novo) as the Vice President of Land.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Novo in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
5. Novo is seeking an order pooling all uncommitted interests in the Wolfcamp formation [Purple Sage; Wolfcamp] underlying a standard 316.80-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

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

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

- **Turks Fee 07 211H** well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- **Turks Fee 07 231H** well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- **Turks Fee 07 221H** well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- **Turks Fee 07 232H** well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7; and
- **Turks Fee 07 212H** well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7.

7. The completed intervals for the proposed wells will comply with the special pool rules for the Wolfcamp Purple Sage Pool.

8. Novo has prepared draft Form C-102s for each of the proposed wells, a copy of which is attached as **Novo Exhibit A-1**.

9. The Pool Code for the proposed well is 98220.

10. There are no depth severances in the Wolfcamp formation.

11. **Novo Exhibit A-2** is an exhibit prepared by me that includes a locator map and identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes fee land only. This exhibit shows the interest owners by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing unit, is also included on the exhibit.

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

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

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

15. Novo seeks approval of overhead and administrative costs at \$8,000/month while drilling and \$800/month while producing. These costs are consistent with what Novo and other operators are charging in this area for these types of wells. Novo respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

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

17. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Novo Exhibit A-2. In compiling these addresses, Novo conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

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

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



BRANDON PATRICK

STATE OF OKLAHOMA)
)
COUNTY OF Oklahoma)

SUBSCRIBED and SWORN to before me this 5th day of April 2022 by
Brandon Patrick





NOTARY PUBLIC

My Commission Expires:
5/22/24

18522069_v1

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

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

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name TURKS FEE 07	
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	
		⁶ Well Number 211H
		⁹ Elevation 3060.6

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	23 S	28 E		476	NORTH	925	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	7	23 S	28 E		100	NORTH	330	WEST	EDDY

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

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

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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

MARCH 21, 2022
Date of Survey

Signature and Seal of Professional Surveyor:
Certificate Number: LS 12797

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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MARCH 21, 2022
Date of Survey

Signature and Seal of Professional Surveyor:
Certificate Number: LS 12797

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A1
Submitted by: Novo Oil & Gas, LLC
Hearing Date: April 07, 2022
Case No. 22615

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

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

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

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name TURKS FEE 07			⁶ Well Number 231H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 3060.4

¹⁰ Surface Location

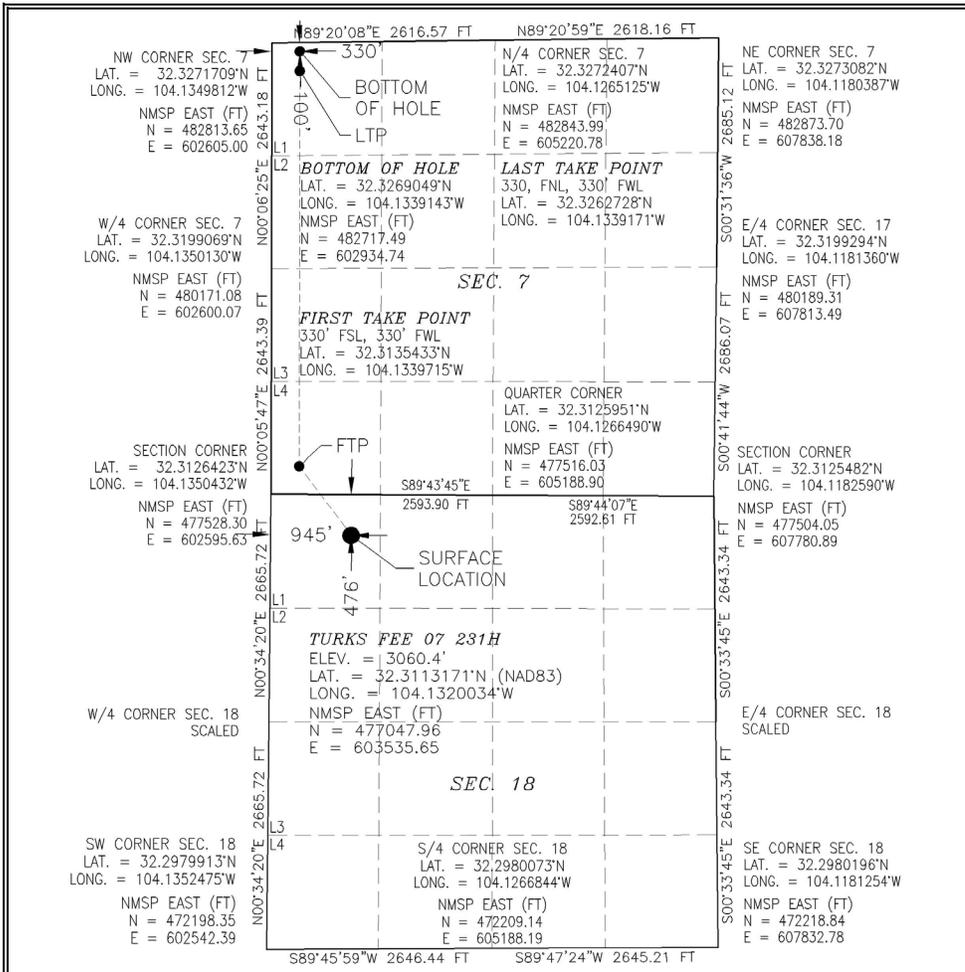
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	23 S	28 E		476	NORTH	945	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	7	23 S	28 E		100	NORTH	330	WEST	EDDY

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MARCH 21, 2022

Date of Survey _____

Signature and Seal of Professional Surveyor:

Certificate Number: 12797

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WELL LOCATION AND ACREAGE DEDICATION PLAT

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⁴ Property Code		⁵ Property Name TURKS FEE 07			⁶ Well Number 221H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 3060.6

¹⁰ Surface Location

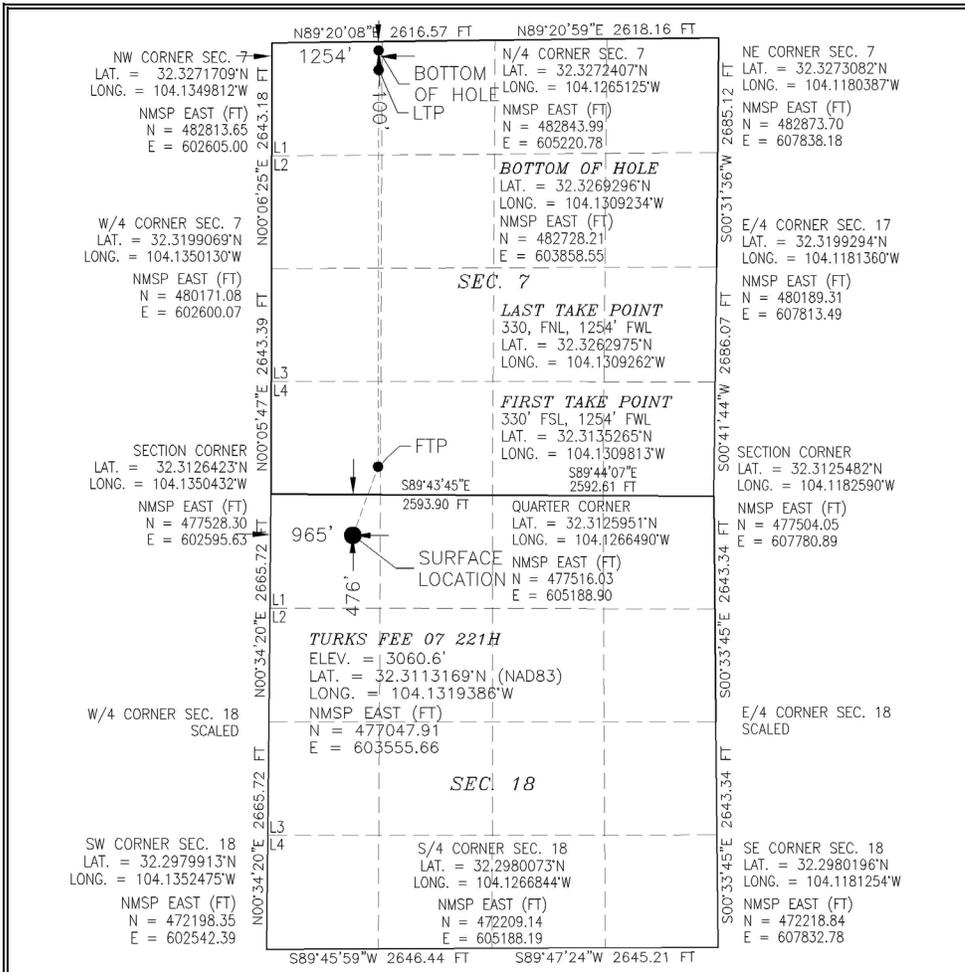
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	23 S	28 E		476	NORTH	965	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	7	23 S	28 E		100	NORTH	1254	WEST	EDDY

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



¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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MARCH 21, 2022

Date of Survey _____

Signature and Seal of Professional Surveyor: 

Certificate Number: 12797

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WELL LOCATION AND ACREAGE DEDICATION PLAT

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⁴ Property Code		⁵ Property Name TURKS FEE 07			⁶ Well Number 232H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 3060.6

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	23 S	28 E		476	NORTH	985	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	7	23 S	28 E		100	NORTH	1870	WEST	EDDY

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

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

¹⁷ OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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

MARCH 21, 2022

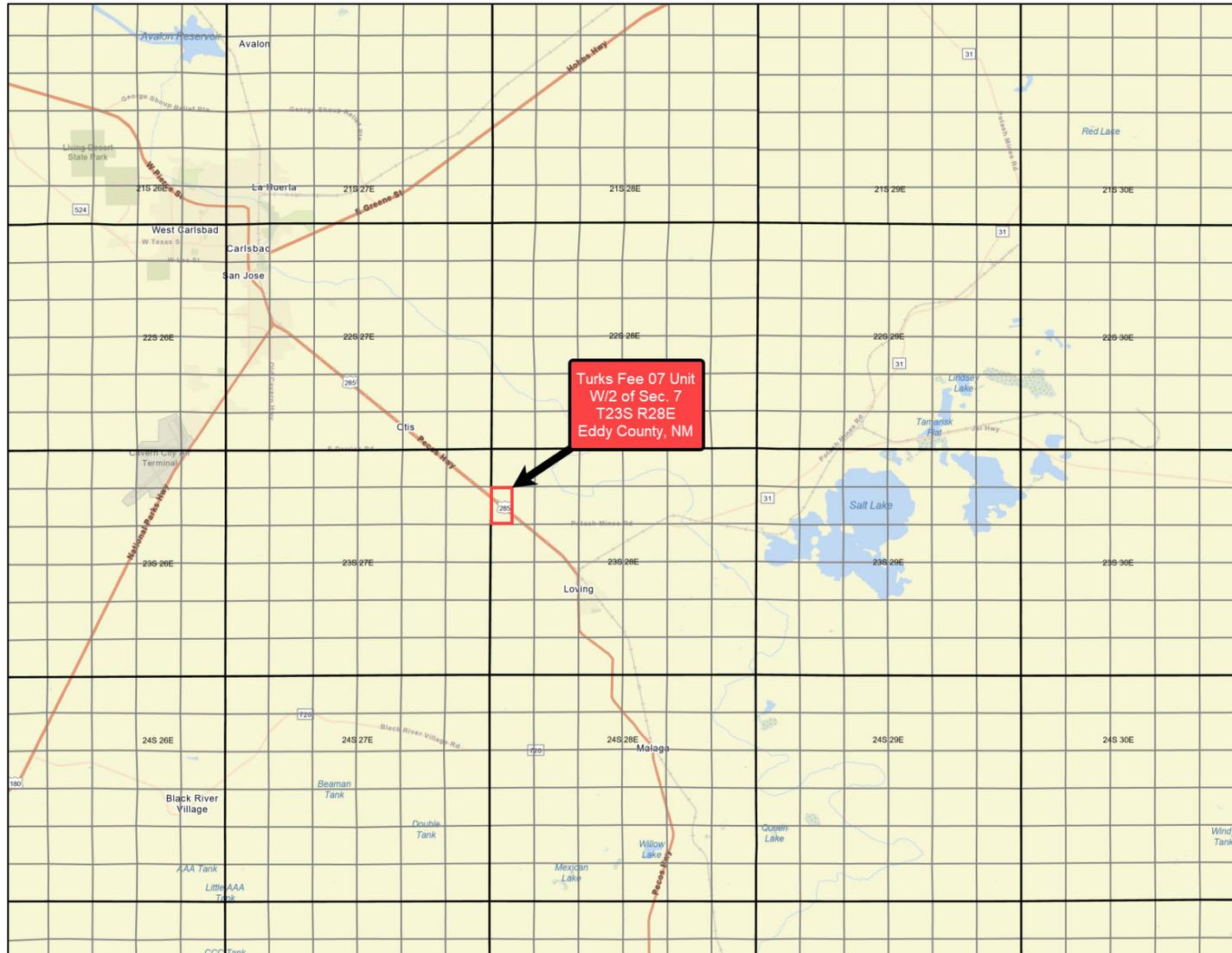
Date of Survey _____

Signature and Seal of Professional Surveyor: 

Certificate Number: **LS 12797**
SURV. NO. 9312B



Locator Map



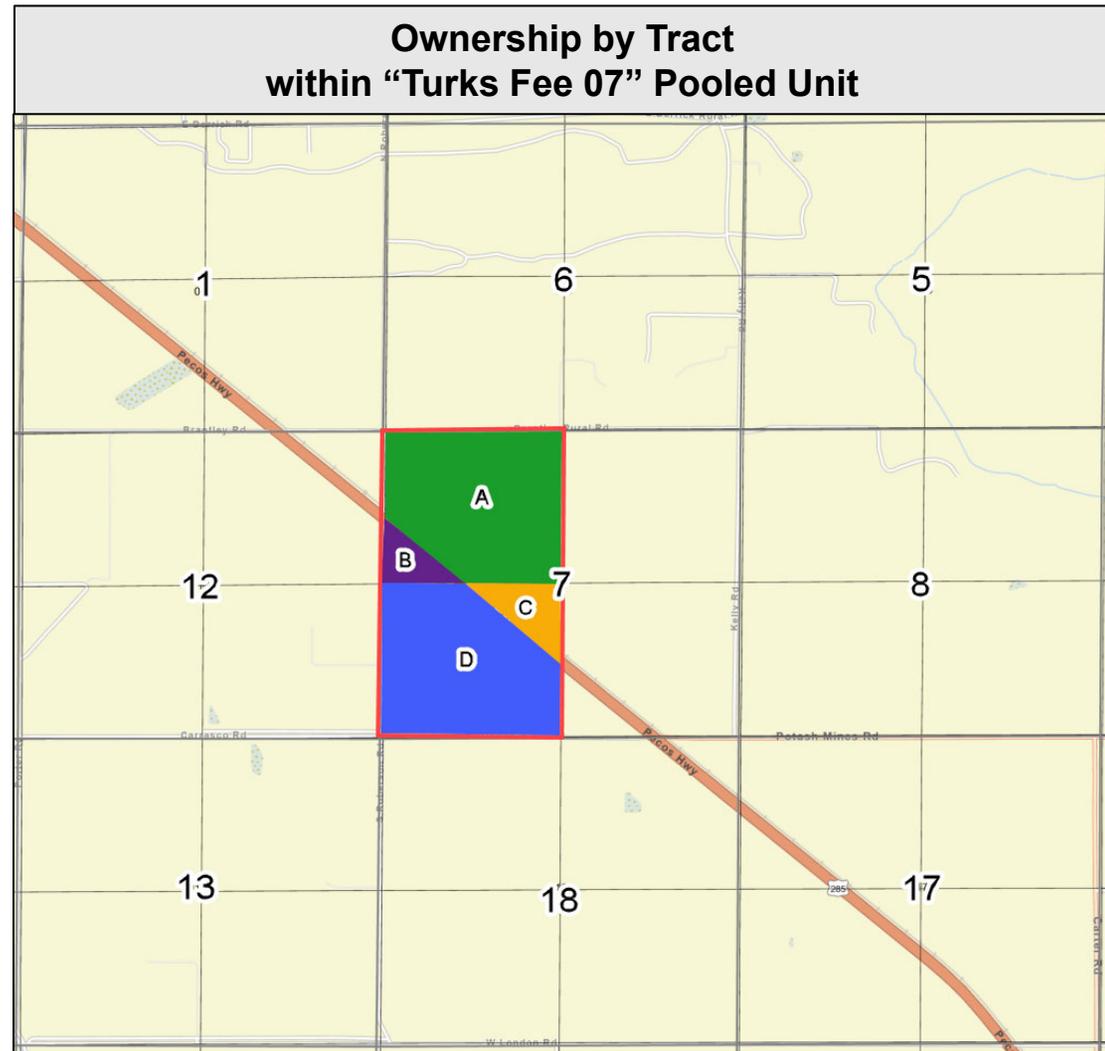


Ownership Overview

Tract Ownership

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

UMI = Unleased Mineral Interest





Ownership Overview

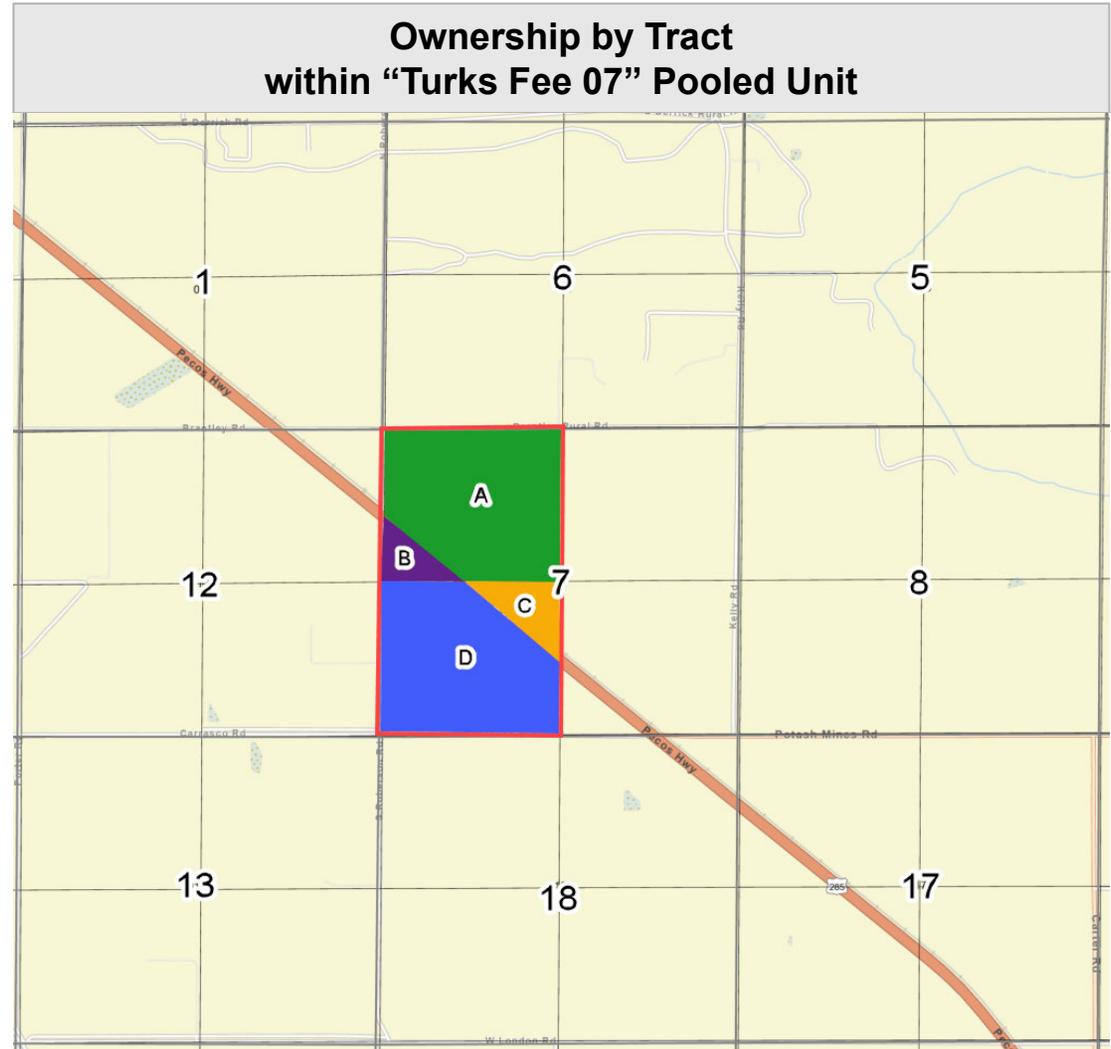
Unit Ownership

Committed Parties (56.86% WI)

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

Uncommitted Parties (43.14% WI)

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





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

February 1, 2022

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

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

Dear Working Interest Owner:

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

Otis Fee 07 211H

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

Otis Fee 07 231H

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

Otis Fee 07 221H

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

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. A3
 Submitted by: Novo Oil & Gas, LLC
 Hearing Date: April 07, 2022
 Case No. 22615

Otis Fee 07 232H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East

First take point: 330' FSL & 1650' FWL of Section 7, Township 23 South, Range 28 East

Last take point 330' FNL & 1650' FWL of Section 7, Township 23 South, Range 28 East

BHL: 100' FNL & 1650' FWL of Section 7, Township 23 South, Range 28 East

The well will be drilled to an approximate true vertical depth of 10,095' subsurface to develop the Wolfcamp B formation. The proposed well will have a measured depth of approximately 15,495'.

Otis Fee 07 212H

SHL: NW/4NW/4 of Section 7, Township 23 South, Range 28 East

First take point: 330' FSL & 1980' FWL of Section 7, Township 23 South, Range 28 East

Last take point: 330' FNL & 1980' FWL of Section 7, Township 23 South, Range 28 East

BHL: 100' FNL & 1980' FWL of Section 7, Township 23 South, Range 28 East

The well will be drilled to an approximate true vertical depth of 9,390' subsurface to develop the Wolfcamp XY formation. The proposed well will have a measured depth of approximately 14,790'.

Authority for Expenditure (AFE's)

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

Compulsory Pooling

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

JOA in lieu of Pooling Order

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

Election Instructions

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

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

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

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

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

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

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



Brandon Patrick
Vice President - Land

PARTICIPATION BALLOT

Marathon Oil Permian, LLC hereby elects to:

_____ Not to participate in the Otis Fee 07 211H

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

_____ Not to participate in the Otis Fee 07 231H

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

_____ Not to participate in the Otis Fee 07 221H

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

_____ Not to participate in the Otis Fee 07 232H

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

_____ Not to participate in the Otis Fee 07 212H

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

Marathon Oil Permian, LLC

By: _____ Date: _____

Name:
Title:



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

February 15, 2022

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

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

Dear Working Interest Owner:

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

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

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

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

Sincerely,

Novo Oil & Gas Northern Delaware, LLC

Larry Patrick



NOVO OIL & GAS NORTHERN DELAWARE, LLC
 AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 206
 Oklahoma City, Oklahoma 73116
 405-286-4391

WELL NAME	Ois Fee 07 211H	AFE TYPE	Development	AFE NUMBER	
LATERAL LOCATION	330' FSL, 330' FWL Sec. 7-23S-28E (FTP)	FIELD		PROPERTY NUMBER	
SURFACE LOCATION	478' FHL, 925' FWL Sec. 18-23S-28E	FORMATION	Wolcamp XY	DRILLING DAYS	
BOTTOM HOLE LOCATION	100' FNL, 330' FVL Sec. 7-23S-28E	COUNTY	Eddy	DEPTH (TVD/TMD)	9370' /14870'
PROJECT DESCRIPTION	Drilling, Completion & Facilities costs for Novo 5K Wolcamp XY horizontal well.				
STATE					NM

ACCT. CODE				DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
IDC PREFIX	ICC	TDC PREFIX	TCC		DRILLING	COMPLETIONS	FACILITIES	TOTAL
				WELL INTANGIBLE COSTS				
301	501			SURVEY/PERMITS/DAMAGES	\$25,000.00			\$25,000.00
302	502			LOCATION & ROAD	\$67,500.00			\$67,500.00
303				RIG MOVE	\$40,000.00			\$40,000.00
304				DRILLING - FOOTAGE				\$0.00
305	505			DRILLING - DAYWORK	\$254,000.00			\$254,000.00
	506			COMPLETION/WORKOVER RIG		\$125,000.00		\$125,000.00
	507			COIL TUBING/SNUBBING UNIT				\$0.00
	508			SLICKLINE/SWABBING				\$0.00
309	509			BITS	\$70,000.00			\$70,000.00
310	510			DIRECTIONAL SERVICES	\$90,000.00			\$90,000.00
311	511			CASING CREW	\$80,000.00			\$80,000.00
312	512			TOOL & EQUIPMENT RENTAL	\$70,000.00	\$150,000.00		\$220,000.00
313	513			FUEL & POWER	\$94,500.00	\$275,000.00		\$369,500.00
314				DIESEL - BASE FOR MUD	\$75,000.00			\$75,000.00
315	515			MUD LOGGING & GEOLOGIST				\$0.00
316	516			DISPOSAL, RESTORATION & BACKFILL	\$90,000.00	\$50,000.00		\$140,000.00
317	517			TRUCKING	\$38,000.00			\$38,000.00
	518			TESTING				\$0.00
319	519			CEMENTING	\$120,000.00			\$120,000.00
320	520			PERFORATING		\$125,000.00		\$125,000.00
	521			CASED HOLE LOGS				\$0.00
322	522			DOWNHOLE TOOLS & SERVICE	\$20,000.00	\$45,000.00		\$65,000.00
323	523			SCIENCE & DIAGNOSTICS				\$0.00
	524			FORMATION STIMULATION		\$380,000.00		\$380,000.00
326	526			CONSULTING SERVICES/SUPERVISION	\$58,000.00	\$85,000.00		\$143,000.00
327	527			CONTRACT LABOR / SERVICES		\$75,000.00		\$75,000.00
328	528			OTHER LABOR		\$40,000.00		\$40,000.00
329	529			OVERHEAD				\$0.00
330	530			WATER - FRESH	\$20,000.00	\$300,000.00		\$320,000.00
331	531			FLUIDS & CHEMICALS	\$120,000.00	\$150,000.00		\$270,000.00
332	532			CORING & ANALYSIS				\$0.00
333	533			COMMUNICATIONS	\$8,000.00	\$10,000.00		\$18,000.00
334	534			BOP TESTING		\$10,000.00		\$10,000.00
335	535			CO2/NITROGEN	\$15,000.00			\$15,000.00
336	536			FISHING TOOLS & SERVICES				\$0.00
337	537			INSPECTIONS	\$10,000.00			\$10,000.00
338				WIRELINE SERVICES				\$0.00
339	539			ENGINEERING & GEOLOGY - FIELD				\$0.00
340	540			ENGINEERING & GEOLOGY - OFFICE				\$0.00
341				MULTISHOT & GYRO				\$0.00
342				RE-ENTRY SERVICES				\$0.00
343	543			CAMPS & TRAILERS	\$15,000.00	\$30,000.00		\$45,000.00
344	544			SAFETY EQUIPMENT & H2S	\$10,000.00	\$5,000.00		\$15,000.00
345				CONTINGENCY				\$0.00
346	546			INSURANCE				\$0.00
347	547			MISCELLANEOUS				\$0.00
348	548			OUTSIDE OPERATED				\$0.00
349	549			SAND				\$0.00
350	550			SAND LOGISTICS		\$300,000.00		\$300,000.00
351	551			VACUUM TRUCK				\$0.00
352	552			WATER - BRINE				\$0.00
	560			FACILITY TRUCKING				\$0.00
	561			FACILITY VACUUM TRUCK				\$0.00
	562			FACILITY CONSULTING SER./SUPERVISION				\$0.00
	563			FACILITY CONTRACT LABOR / SER.				\$0.00
	564			FACILITY SURFACE RENTAL				\$0.00
				SIM-OPS				\$0.00
				TOTAL WELL INTANGIBLE COSTS	\$1,388,000.00	\$2,155,000.00	\$0.00	\$3,543,000.00
				WELL TANGIBLE COSTS				
	401			CASING - CONDUCTOR	\$25,000.00			\$25,000.00
	402			CASING - SURFACE	\$25,000.00			\$25,000.00
	403			CASING - SALT STRING	\$0.00			\$0.00
	404	604		CASING - INTERMEDIATE	\$570,000.00			\$570,000.00
	405	605		CASING - PRODUCTION / LINER	\$468,000.00			\$468,000.00
	406	606		SUBSURFACE EQUIPMENT				\$0.00
		607		PRODUCTION TUBING				\$0.00
		608		SUBSURFACE PUMPING EQUIPMENT				\$0.00
	409	609		WELLHEAD EQUIPMENT	\$40,000.00			\$40,000.00
		610		FLOWLINES			\$100,000.00	\$100,000.00
		611		SURFACE PUMPING EQUIPMENT				\$0.00
	412	612		LINER HANGER & ASSOC EQUIP				\$0.00
		613		VALVES & FITTINGS			\$400,000.00	\$400,000.00
		614		INSTURMENTATION & ELECTRICAL				\$0.00
		615		RODS				\$0.00
	417	617		TRUCKING				\$0.00
	420			RE-ENTRY EQUIPMENT				\$0.00
		634		PRODUCTION EQUIPMENT			\$500,000.00	\$500,000.00
	447	647		MISCELLANEOUS				\$0.00
	448	648		OUTSIDE OPERATED				\$0.00
		649		TANGIBLE EQUIP-ACQUISITIONS				\$0.00
				TOTAL TANGIBLE COSTS	\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,000.00
				TOTAL ESTIMATED WELL COST	\$2,516,000.00	\$2,155,000.00	\$1,000,000.00	\$5,671,000.00

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 1/19/2022

OPERATOR APPROVAL:  CEO or CFO

PARTNER COMPANY NAME: _____ DATE: _____

PARTNER APPROVAL: _____

TITLE: _____

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



NOVO OIL & GAS NORTHERN DELAWARE, LLC
 AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 206
 Oklahoma City, Oklahoma 73116
 405-286-4391

WELL NAME	Otis Fee 07 231H	AFE TYPE	Development	AFE NUMBER	
LATERAL LOCATION	330' FSL, 330' FWL Sec. 7-23S-28E (FTP)	FIELD		PROPERTY NUMBER	
SURFACE LOCATION	476' FNL, 845' FWL Sec. 18-23S-28E	FORMATION	Wolfcamp B	DRILLING DAYS	
BOTTOM-HOLE LOCATION	100' FNL, 330' FWL Sec. 7-23S-28E	COUNTY	Eddy	DEPTH (TVD/TMD)	10065' / 15565'
				STATE	NM

PROJECT DESCRIPTION Drilling, Completion & Facilities costs for Novo 5K Wolfcamp B horizontal well.

ACCT. CODE				DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
IDC PREFIX	ICC	TDC PREFIX	TCC		DRILLING	COMPLETIONS	FACILITIES	TOTAL
				WELL INTANGIBLE COSTS				
301	501			SURVEY/PERMITS/DAMAGES	\$25,000.00			\$25,000.00
302	502			LOCATION & ROAD	\$67,500.00			\$67,500.00
303				RIG MOVE	\$40,000.00			\$40,000.00
304				DRILLING - FOOTAGE				\$0.00
305	505			DRILLING - DAYWORK	\$254,000.00			\$254,000.00
	506			COMPLETION/WORKOVER RIG		\$125,000.00		\$125,000.00
	507			COIL TUBING/SNUBBING UNIT				\$0.00
	508			SLICKLINE/SWABBING				\$0.00
309	509			BITS	\$70,000.00			\$70,000.00
310	510			DIRECTIONAL SERVICES	\$90,000.00			\$90,000.00
311	511			CASING CREW	\$80,000.00			\$80,000.00
312	512			TOOL & EQUIPMENT RENTAL	\$70,000.00	\$150,000.00		\$220,000.00
313	513			FUEL & POWER	\$94,500.00	\$275,000.00		\$369,500.00
314				DIESEL - BASE FOR MUD	\$75,000.00			\$75,000.00
315	515			MUD LOGGING & GEOLOGIST				\$0.00
316	516			DISPOSAL, RESTORATION & BACKFILL	\$90,000.00	\$50,000.00		\$140,000.00
317	517			TRUCKING	\$36,000.00			\$36,000.00
	518			TESTING				\$0.00
319	519			CEMENTING	\$120,000.00			\$120,000.00
320	520			PERFORATING		\$140,000.00		\$140,000.00
	521			CASED HOLE LOGS				\$0.00
322	522			DOWNHOLE TOOLS & SERVICE	\$20,000.00	\$45,000.00		\$65,000.00
323	523			SCIENCE & DIAGNOSTICS				\$0.00
	524			FORMATION STIMULATION		\$380,000.00		\$380,000.00
326	526			CONSULTING SERVICES/SUPERVISION	\$58,000.00	\$85,000.00		\$143,000.00
327	527			CONTRACT LABOR / SERVICES		\$75,000.00		\$75,000.00
328	528			OTHER LABOR		\$40,000.00		\$40,000.00
329	529			OVERHEAD				\$0.00
330	530			WATER - FRESH	\$20,000.00	\$325,000.00		\$345,000.00
331	531			FLUIDS & CHEMICALS	\$120,000.00	\$150,000.00		\$270,000.00
332	532			CORING & ANALYSIS				\$0.00
333	533			COMMUNICATIONS	\$8,000.00	\$10,000.00		\$18,000.00
334	534			BOP TESTING		\$10,000.00		\$10,000.00
335	535			CO2/NITROGEN	\$15,000.00			\$15,000.00
336	536			FISHING TOOLS & SERVICES				\$0.00
337	537			INSPECTIONS	\$10,000.00			\$10,000.00
338				WIRELINE SERVICES				\$0.00
339	539			ENGINEERING & GEOLOGY - FIELD				\$0.00
340	540			ENGINEERING & GEOLOGY - OFFICE				\$0.00
341				MULTISHOT & GYRO				\$0.00
342				RE-ENTRY SERVICES				\$0.00
343	543			CAMPS & TRAILERS	\$15,000.00	\$30,000.00		\$45,000.00
344	544			SAFETY EQUIPMENT & H2S	\$10,000.00	\$5,000.00		\$15,000.00
345				CONTINGENCY				\$0.00
346	546			INSURANCE				\$0.00
347	547			MISCELLANEOUS				\$0.00
348	548			OUTSIDE OPERATED				\$0.00
349	549			SAND				\$0.00
350	550			SAND LOGISTICS		\$300,000.00		\$300,000.00
351	551			VACUUM TRUCK				\$0.00
352	552			WATER - BRINE				\$0.00
	560			FACILITY TRUCKING				\$0.00
	561			FACILITY VACUUM TRUCK				\$0.00
	562			FACILITY CONSULTING SER./SUPERVISION				\$0.00
	563			FACILITY CONTRACT LABOR / SER.				\$0.00
	564			FACILITY SURFACE RENTAL				\$0.00
				SIM-OPS				\$0.00
TOTAL WELL INTANGIBLE COSTS					\$1,388,000.00	\$2,195,000.00	\$0.00	\$3,583,000.00
WELL TANGIBLE COSTS								
	401			CASING - CONDUCTOR	\$25,000.00			\$25,000.00
	402			CASING - SURFACE	\$25,000.00			\$25,000.00
	403			CASING - SALT STRING				\$0.00
	404	604		CASING - INTERMEDIATE	\$570,000.00			\$570,000.00
	405	605		CASING - PRODUCTION / LINER	\$468,000.00			\$468,000.00
	406	606		SUBSURFACE EQUIPMENT				\$0.00
		607		PRODUCTION TUBING				\$0.00
		608		SUBSURFACE PUMPING EQUIPMENT				\$0.00
	409	609		WELLHEAD EQUIPMENT	\$40,000.00			\$40,000.00
		610		FLOWLINES			\$100,000.00	\$100,000.00
		611		SURFACE PUMPING EQUIPMENT				\$0.00
	412	612		LINER HANGER & ASSOC EQUIP				\$0.00
		613		VALVES & FITTINGS			\$400,000.00	\$400,000.00
		614		INSTURVENTATION & ELECTRICAL				\$0.00
		615		RODS				\$0.00
	417	617		TRUCKING				\$0.00
	420			RE-ENTRY EQUIPMENT				\$0.00
		634		PRODUCTION EQUIPMENT			\$500,000.00	\$500,000.00
	447	647		MISCELLANEOUS				\$0.00
	448	648		OUTSIDE OPERATED				\$0.00
		649		TANGIBLE EQUIP-ACQUISITIONS				\$0.00
TOTAL TANGIBLE COSTS					\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,000.00
TOTAL ESTIMATED WELL COST					\$2,516,000.00	\$2,195,000.00	\$1,000,000.00	\$5,711,000.00

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 1/19/2022

OPERATOR APPROVAL:

OPERATOR APPROVAL: CEO or CFO

PARTNER COMPANY NAME: _____ DATE: _____

PARTNER APPROVAL: _____

TITLE: _____

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



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

Table with 5 columns: WELL NAME, LATERAL LOCATION, SURFACE LOCATION, BOTTOM-HOLE LOCATION, AFE TYPE, FIELD, FORMATION, COUNTY, Development, AFE NUMBER, PROPERTY NUMBER, DRILLING DAYS, DEPTH (TVD/TMO), STATE.

PROJECT DESCRIPTION Drilling, Completion & Facilities costs for Novo 5K Wolfcamp A horizontal well.

Main cost estimate table with columns: ACCT. CODE (IDC, ICC, TOC, TCC), DESCRIPTION OF EXPENDITURE, COST ESTIMATE (DRILLING, COMPLETIONS, FACILITIES, TOTAL). Includes sections for WELL INTANGIBLE COSTS and WELL TANGIBLE COSTS.

Signature and approval section including: PREPARED BY: Alex Bourland, Senior Operations Engineer; OPERATOR APPROVAL: [Signature], CEO or CFO; PARTNER COMPANY NAME; PARTNER APPROVAL; TITLE.

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



NOVO OIL & GAS NORTHERN DELAWARE, LLC
 AUTHORIZATION FOR EXPENDITURE
 1001 West Wilshire, Suite 206
 Oklahoma City, Oklahoma 73116
 405-286-4391

WELL NAME	Ocs Fee 07 232H	AFE TYPE	Development	AFE NUMBER	
LATERAL LOCATION	330' FSL, 1650' FWL Sec. 7-23S-28E (FTP)	FIELD		PROPERTY NUMBER	
SURFACE LOCATION	476' FNL, 985' FWL Sec. 18-23S-28E	FORMATION	Wolfcamp B	DRILLING DAYS	
BOTTOM-HOLE LOCATION	100' FNL, 1650' FWL Sec. 7-23S-28E	COUNTY	Eddy	DEPTH (TVD/TMD)	10095' / 15495'
				STATE	NM

PROJECT DESCRIPTION Drilling, Completion & Facilities costs for Novo SK Wolfcamp B horizontal well.

ACCT. CODE				DESCRIPTION OF EXPENDITURE	COST ESTIMATE			
IDC PREFIX	ICC	TDC PREFIX	TCC		DRILLING	COMPLETIONS	FACILITIES	TOTAL
				WELL INTANGIBLE COSTS				
301	501			SURVEY/PERMITS/DAMAGES	\$25,000.00			\$25,000.00
302	502			LOCATION & ROAD	\$67,500.00			\$67,500.00
303				RIG MOVE	\$40,000.00			\$40,000.00
304				DRILLING - FOOTAGE				\$0.00
305	505			DRILLING - DAYWORK	\$254,000.00			\$254,000.00
	506			COMPLETION/WORKOVER RIG		\$125,000.00		\$125,000.00
	507			COIL TUBING/SNUBBING UNIT				\$0.00
	508			SLICKLINE/SWABBING				\$0.00
309	509			BITS	\$70,000.00			\$70,000.00
310	510			DIRECTIONAL SERVICES	\$90,000.00			\$90,000.00
311	511			CASING CREW	\$80,000.00			\$80,000.00
312	512			TOOL & EQUIPMENT RENTAL	\$70,000.00	\$150,000.00		\$220,000.00
313	513			FUEL & POWER	\$94,500.00	\$275,000.00		\$369,500.00
314				DIESEL - BASE FOR MUD	\$75,000.00			\$75,000.00
315	515			MUD LOGGING & GEOLOGIST				\$0.00
316	516			DISPOSAL, RESTORATION & BACKFILL	\$90,000.00	\$50,000.00		\$140,000.00
317	517			TRUCKING	\$36,000.00			\$36,000.00
	518			TESTING				\$0.00
319	519			CEMENTING	\$120,000.00			\$120,000.00
320	520			PERFORATING		\$140,000.00		\$140,000.00
	521			CASED HOLE LOGS				\$0.00
322	522			DOWNHOLE TOOLS & SERVICE	\$20,000.00	\$45,000.00		\$65,000.00
323	523			SCIENCE & DIAGNOSTICS				\$0.00
	524			FORMATION STIMULATION		\$380,000.00		\$380,000.00
326	526			CONSULTING SERVICES/SUPERVISION	\$58,000.00			\$143,000.00
327	527			CONTRACT LABOR / SERVICES		\$75,000.00		\$75,000.00
328	528			OTHER LABOR		\$40,000.00		\$40,000.00
329	529			OVERHEAD				\$0.00
330	530			WATER - FRESH	\$20,000.00	\$325,000.00		\$345,000.00
331	531			FLUIDS & CHEMICALS	\$120,000.00	\$150,000.00		\$270,000.00
332	532			CORING & ANALYSIS				\$0.00
333	533			COMMUNICATIONS	\$8,000.00	\$10,000.00		\$18,000.00
334	534			BOP TESTING		\$10,000.00		\$10,000.00
335	535			CO2/NITROGEN	\$15,000.00			\$15,000.00
336	536			FISHING TOOLS & SERVICES				\$0.00
337	537			INSPECTIONS	\$10,000.00			\$10,000.00
338				WIRELINE SERVICES				\$0.00
339	539			ENGINEERING & GEOLOGY - FIELD				\$0.00
340	540			ENGINEERING & GEOLOGY - OFFICE				\$0.00
341				MULTISHOT & GYRO				\$0.00
342				RE-ENTRY SERVICES				\$0.00
343	543			CAMPS & TRAILERS	\$15,000.00	\$30,000.00		\$45,000.00
344	544			SAFETY EQUIPMENT & H2S	\$10,000.00	\$5,000.00		\$15,000.00
345				CONTINGENCY				\$0.00
346	546			INSURANCE				\$0.00
347	547			MISCELLANEOUS				\$0.00
348	548			OUTSIDE OPERATED				\$0.00
349	549			SAND				\$0.00
350	550			SAND LOGISTICS		\$300,000.00		\$300,000.00
351	551			VACUUM TRUCK				\$0.00
352	552			WATER - BRINE				\$0.00
	560			FACILITY TRUCKING				\$0.00
	561			FACILITY VACUUM TRUCK				\$0.00
	562			FACILITY CONSULTING SER./SUPERVISION				\$0.00
	563			FACILITY CONTRACT LABOR / SER.				\$0.00
	564			FACILITY SURFACE RENTAL				\$0.00
				SIM-OPS				\$0.00
TOTAL WELL INTANGIBLE COSTS					\$1,388,000.00	\$2,195,000.00	\$0.00	\$3,583,000.00
WELL TANGIBLE COSTS								
	401			CASING - CONDUCTOR	\$25,000.00			\$25,000.00
	402			CASING - SURFACE	\$25,000.00			\$25,000.00
	403			CASING - SALT STRNG				\$0.00
	404	604		CASING - INTERMEDIATE	\$570,000.00			\$570,000.00
	405	605		CASING - PRODUCTION / LINER	\$468,000.00			\$468,000.00
	406	606		SUBSURFACE EQUIPMENT				\$0.00
		607		PRODUCTION TUBING				\$0.00
		608		SUBSURFACE PUMPING EQUIPMENT				\$0.00
	409	609		WELLHEAD EQUIPMENT	\$40,000.00			\$40,000.00
		610		FLOWLINES			\$100,000.00	\$100,000.00
		611		SURFACE PUMPING EQUIPMENT				\$0.00
	412	612		LINER HANGER & ASSOC EQUIP				\$0.00
		613		VALVES & FITTINGS			\$400,000.00	\$400,000.00
		614		INSTURVENTATION & ELECTRICAL				\$0.00
		615		RODS				\$0.00
	417	617		TRUCKING				\$0.00
	420			RE-ENTRY EQUIPMENT				\$0.00
		634		PRODUCTION EQUIPMENT			\$500,000.00	\$500,000.00
	447	647		MISCELLANEOUS				\$0.00
	448	648		OUTSIDE OPERATED				\$0.00
		649		TANGIBLE EQUIP-ACQUISITIONS				\$0.00
TOTAL TANGIBLE COSTS					\$1,128,000.00	\$0.00	\$1,000,000.00	\$2,128,000.00
TOTAL ESTIMATED WELL COST					\$2,516,000.00	\$2,195,000.00	\$1,000,000.00	\$5,711,000.00

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 1/19/2022

OPERATOR APPROVAL:  CEO or CFO

PARTNER COMPANY NAME: _____ DATE: _____

PARTNER APPROVAL: _____

TITLE: _____

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



NOVO OIL & GAS NORTHERN DELAWARE, LLC
AUTHORIZATION FOR EXPENDITURE
1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

Table with 6 columns: WELL NAME, LATERAL LOCATION, SURFACE LOCATION, BOTTOM-HOLE LOCATION, AFE TYPE, FIELD, FORMATION, COUNTY, AFE NUMBER, PROPERTY NUMBER, DRILLING DAYS, DEPTH (TVD/TMD), STATE.

PROJECT DESCRIPTION: Drilling, Completion & Facilities costs for Novo 5K Wolfcamp XY horizontal well.

Main cost estimate table with columns: ACCT. CODE (IDC PREFIX, ICC, TDC PREFIX, YCC), DESCRIPTION OF EXPENDITURE, COST ESTIMATE (DRILLING, COMPLETIONS, FACILITIES, TOTAL). Includes sections for WELL INTANGIBLE COSTS and WELL TANGIBLE COSTS.

Approval section with fields for PREPARED BY, OPERATOR APPROVAL, PARTNER COMPANY NAME, PARTNER APPROVAL, and TITLE. Includes a signature for Alex Bourland, Senior Operations Engineer.

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



Pooled Parties – Communication Summary

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

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

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

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

CASE NO. 22615

AFFIDAVIT OF MICHAEL HALE
IN SUPPORT OF CASE NO. 22615

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

1. My name is Michael Hale. I am a geologist and Vice President of Exploration for Novo Oil & Gas Northern Delaware, LLC (“Novo”).
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Novo in this case, and I have conducted a geologic study of the lands in the subject areas.
4. In this case, Novo is targeting the Wolfcamp formation, including the Wolfcamp XY, A, and B.
5. **Novo Exhibit B-1** is an execution plan for the Turks Fee 07 unit. With reference to the map legend, the exhibit shows the proposed horizontal spacing unit and the paths of the wellbores for the proposed **Turks Fee 07 211H well, Turks Fee 07 231H well, Turks Fee 07 221H well, Turks Fee 07 232H well, and Turks Fee 07 212H well**, with the surface hole and bottom hole locations. Nearby producing wells in the Wolfcamp are also marked.

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

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

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

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

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

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

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

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

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

MICHAEL HALE

STATE OF OKLAHOMA)
COUNTY OF Oklahoma)

SUBSCRIBED and SWORN to before me this 5th day of April 2022 by Michael Hale.


NOTARY PUBLIC

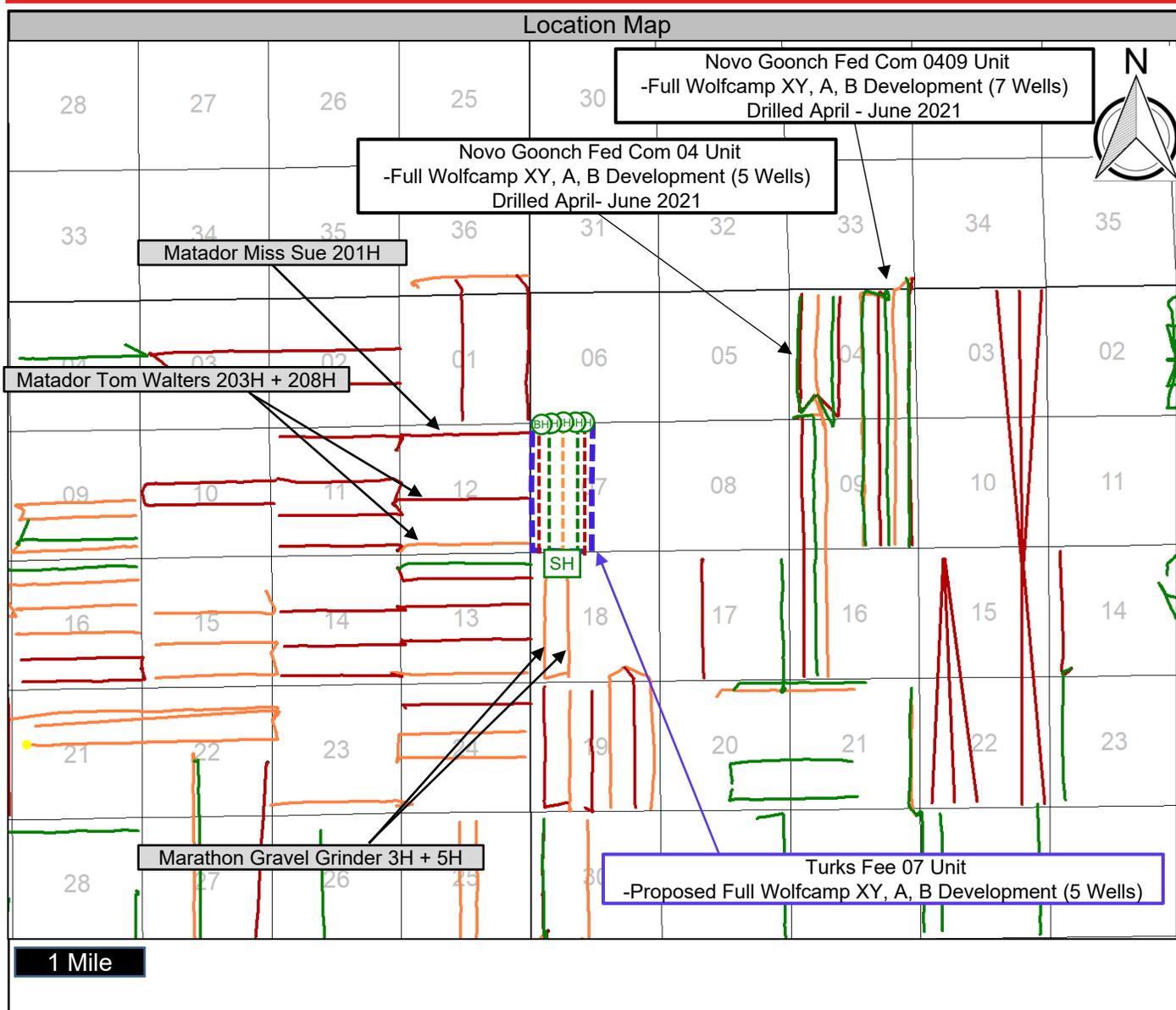
My Commission Expires:
5/22/24

18539515_v1



Turks Fee 07 Execution Plan

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



Map Legend	
Surface Hole Location	Spacing Unit (316.8 ac.)
Novo Proposed Horizontal Locations	Wolfcamp XY Producer
Bottom Hole Location	Wolfcamp A Producer
	Wolfcamp B Producer

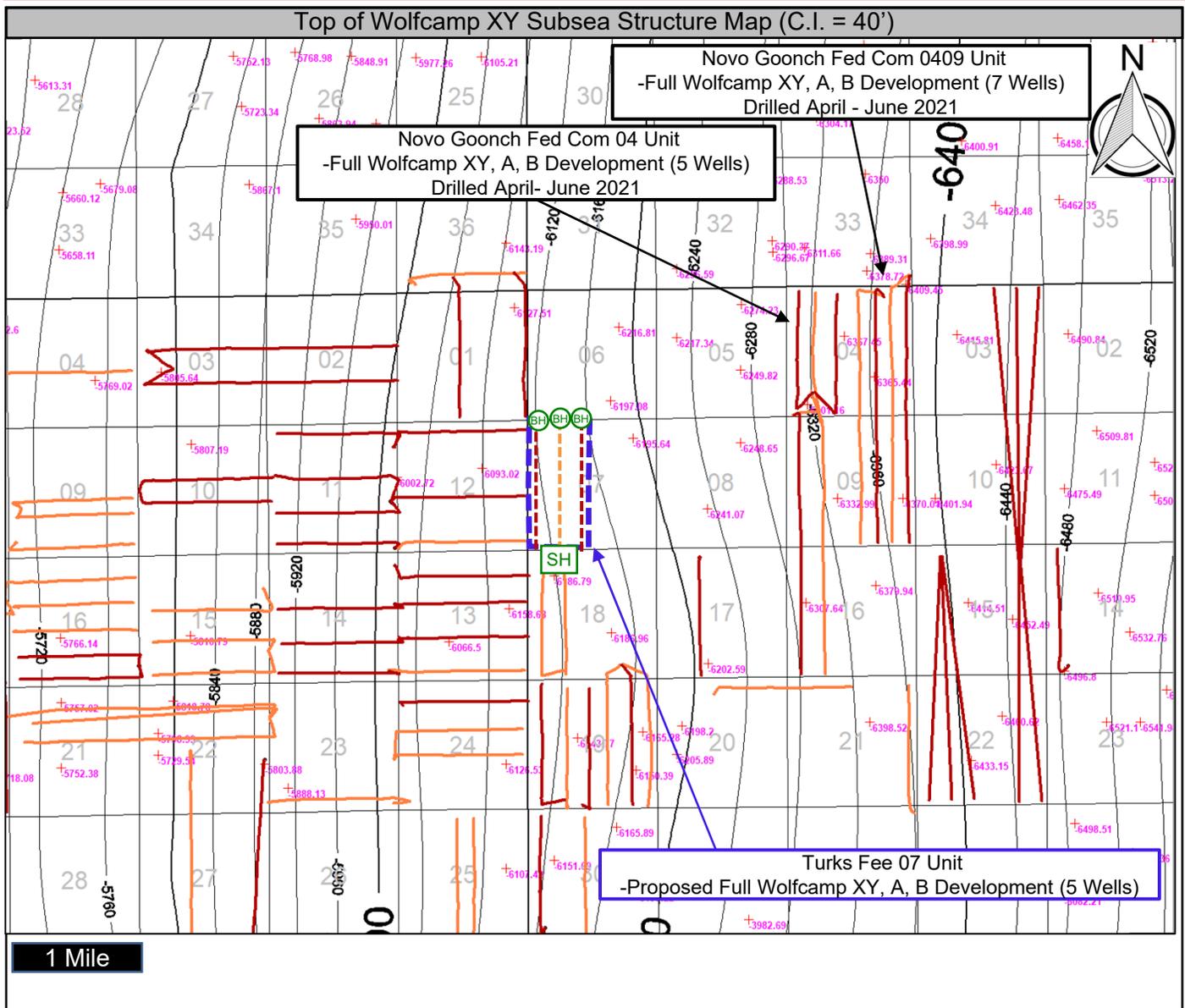
Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number:
Date:
Exhibit Number:

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

Turks Fee 07

Top of Wolfcamp Structure Map

Wolfcamp XY and A Locations, Sections 17-23S-28E



Map Legend	
	Spacing Unit (316.8 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Wolfcamp XY Producer
	Wolfcamp A Producer
	Datum value
	Top Wolfcamp Subsea Structure
	Contour line – interval 20'

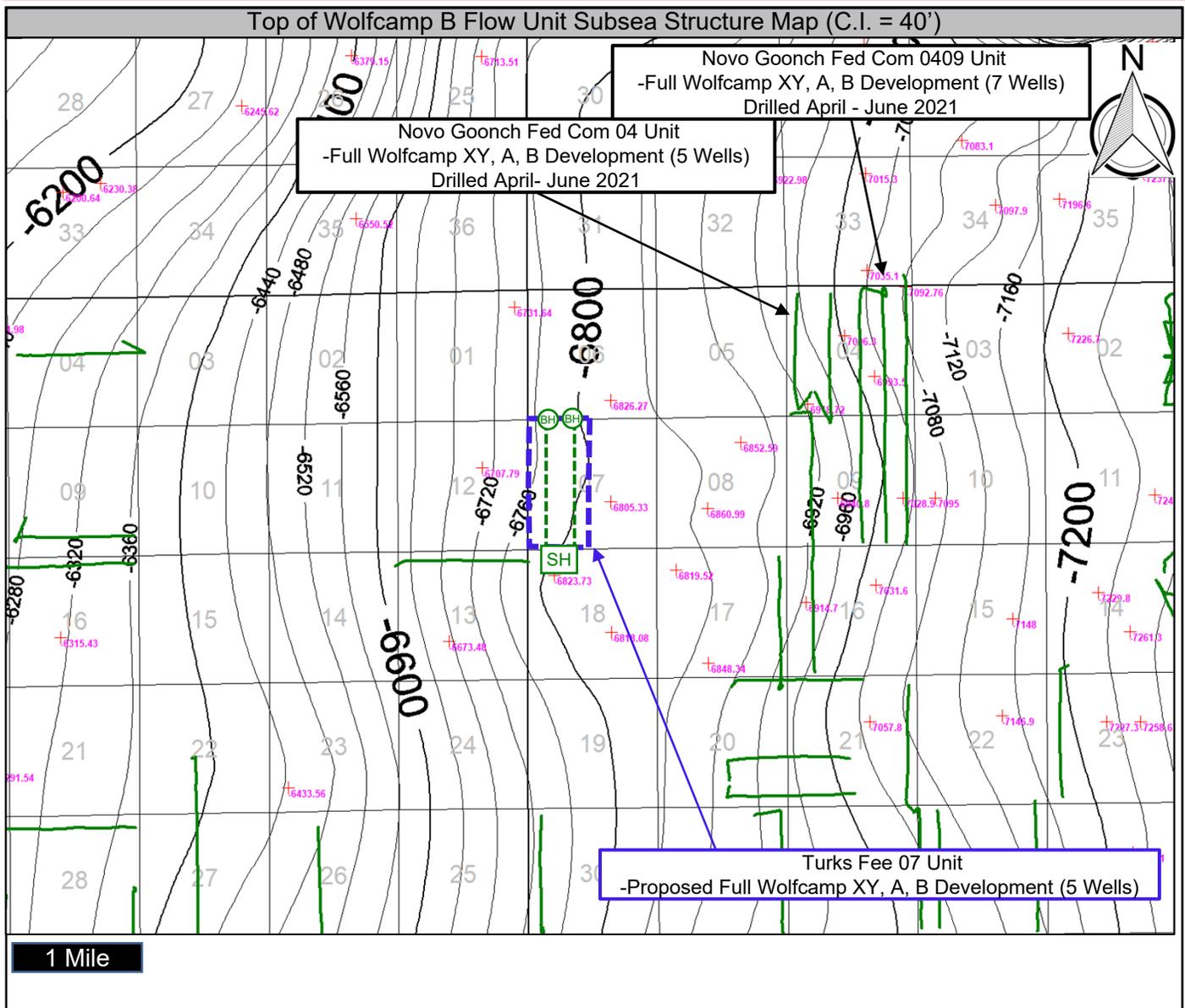
Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number:
Date:
Exhibit Number:

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

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

Turks Fee 07 Top of Wolfcamp B Flow Unit Structure Map

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



Map Legend	
	Spacing Unit (316.8 ac.)
	Wolfcamp B Producer
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Datum value
	Top Wolfcamp B Flow Unit Subsea Structure
	Contour line – interval 40'

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

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

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

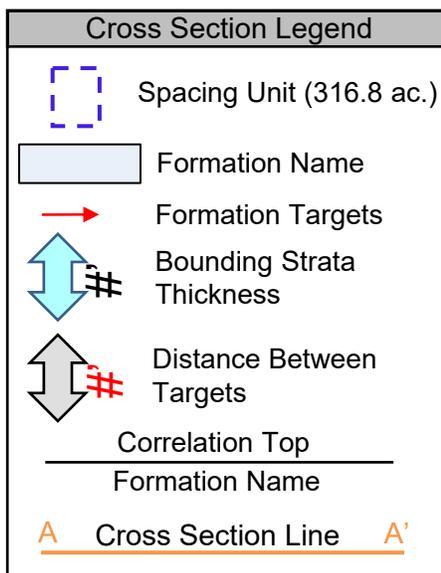
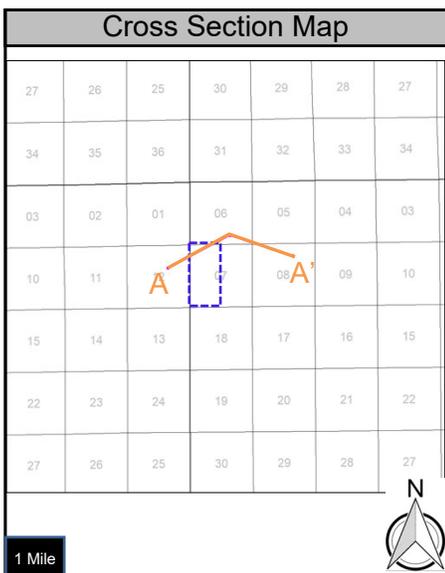
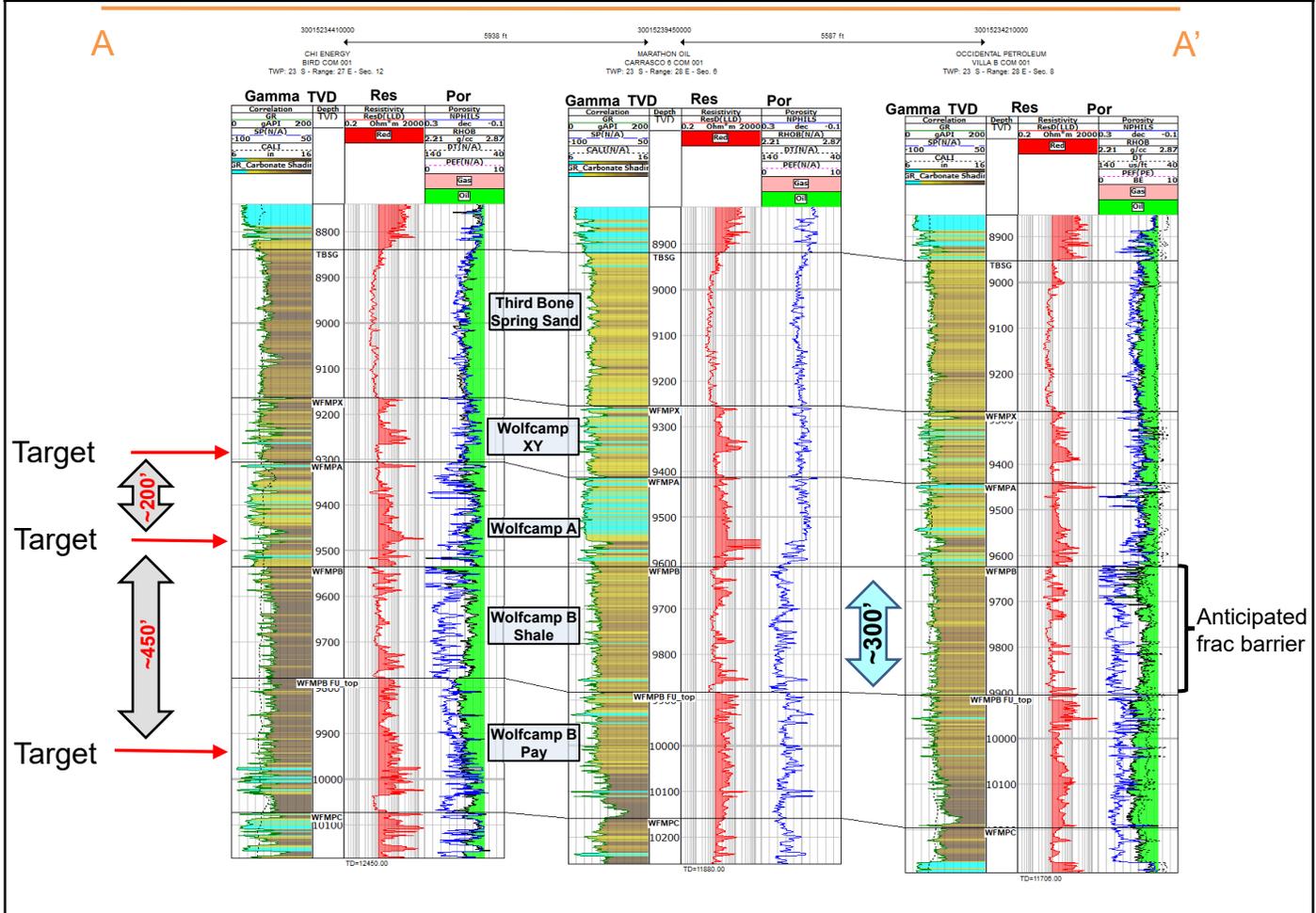
Turks Fee 07

Wolfcamp Stratigraphic Cross Section

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



Wolfcamp Stratigraphic Cross Section (Ft) – Top of Wolfcamp B (WFMPB) Datum



Novo Oil & Gas Northern Delaware, LLC

Docket Number:

Case Number:

Date:

Exhibit Number:

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

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



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

March 18, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico.
Otis Fee 211H, 231H, 221H, 232H and 212H wells**

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 7, 2022, and the status of the hearing can be monitored through the Division’s website at <http://www.emnrd.state.nm.us/ocd/>.

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

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

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

Sincerely,

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

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

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

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

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765841876191	Accelerate Resources Operating, LLC	5949 Sherry Ln Ste 1060	Dallas	TX	75225-8112	Your item arrived at our COPPELL TX DISTRIBUTION CENTER destination facility on March 31, 2022 at 9:42 am. The item is currently in transit to the destination.
9414811898765841876399	Hope Morningstar	7821 Seward Ave	Cincinnati	OH	45231-3526	Your item was delivered to an individual at the address at 10:16 am on March 24, 2022 in CINCINNATI, OH 45231.
9414811898765841876344	Margaret Carrasco	2409 Washington St	Carlsbad	NM	88220-3350	We attempted to deliver your package at 1:05 pm on March 22, 2022 in CARLSBAD, NM 88220 but could not access the delivery location. We will redeliver on the next business day.
9414811898765841876382	Mary Lou Hernandez	1411 W Fox St	Carlsbad	NM	88220-3740	Your item was delivered to an individual at the address at 4:30 pm on March 22, 2022 in CARLSBAD, NM 88220.
9414811898765841876337	Esther Gomez Hernandez	1509 W Greene St	Carlsbad	NM	88220-3747	Your item was delivered to an individual at the address at 5:03 pm on March 22, 2022 in CARLSBAD, NM 88220.
9414811898765841876375	Clide Oil Corporation	1714 Shelborn Dr	Allen	TX	75002-5342	Your item was delivered to an individual at the address at 4:27 pm on March 22, 2022 in ALLEN, TX 75002.
9414811898765841876016	NimTex Energy LLC	PO Box 999	Farwell	TX	79325-0999	Your item was picked up at the post office at 1:30 pm on March 22, 2022 in FARWELL, TX 79325.
9414811898765841876061	Diane Montoya Carrasco	3414 Grandi Rd	Carlsbad	NM	88220-8942	Your item was picked up at the post office at 3:39 pm on March 24, 2022 in CARLSBAD, NM 88220.
9414811898765841876023	Ramona Venegas Montoya	2301 Sage St	Carlsbad	NM	88220-6151	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876009	Esvaldo Montoya a.k.a. Osvaldo Montoya	27 Road 5591	Farmington	NM	87401-1315	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876092	Freddie Montoya	27 Road 5591	Farmington	NM	87401-1315	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876146	Fasken Land and Minerals Limited	6101 Holiday Hill Rd	Midland	TX	79707-1631	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841876085	Joe Montoya	406 Soper St	Carlsbad	NM	88220-6278	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876030	Julian Montoya	2301 Sage St	Carlsbad	NM	88220-6151	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876078	Raul Montoya	212 N Mesquite St	Carlsbad	NM	88220-4925	Your item was delivered to an individual at the address at 1:20 pm on March 22, 2022 in CARLSBAD, NM 88220.
9414811898765841876412	Albert Montoya	910 Alvarado St	Carlsbad	NM	88220-4876	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765841876450	Elias Montoya, Jr.	PO Box 389	Santa Clara	NM	88026-0389	Your item was delivered at 2:45 pm on March 23, 2022 in SANTA CLARA, NM 88026.
9414811898765841876429	Gilbert Montoya	128 Beaver Tail Road	Carlsbad	NM	88220	Your item arrived at the SANTA FE, NM 87504 post office at 7:08 am on March 29, 2022 and is ready for pickup.
9414811898765841876184	Marathon Oil Permian, LLC	555 San Felipe Street	Houston	TX	77056	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841876139	Stryker Energy, LLC	PO Box 53448	Houston	TX	77052-3448	Your item was delivered at 9:45 am on March 22, 2022 in HOUSTON, TX 77002.
9414811898765841876177	Mineral Warehouse no 1, LLC	109 N Post Oak Ln Ste 405	Houston	TX	77024-7792	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765841876313	Estate of Richard V. Montoya deceased c/o Dia	3414 Grandi Rd	Carlsbad	NM	88220-8942	Your item was picked up at the post office at 3:39 pm on March 24, 2022 in CARLSBAD, NM 88220.

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

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

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005180935

This is not an invoice

HOLLAND & HART
POBOX 2208

SANTA FE, NM 87504

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

03/22/2022



Legal Clerk

Subscribed and sworn before me this March 22, 2022:



State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005180935
PO #: Case No. 22615
of Affidavits 1

This is not an invoice

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

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

The State of New Mexico, Energy Minerals and Natural 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, April 7, 2022, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or 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 **March 27, 2022**.

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

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

Join by video: 24838160092@nmemnrd.webex.com
Numeric Password: 468428
You can also dial 173.243.2.68 and enter your meeting number

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

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

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

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

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

- Otis Fee 07 211H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- Otis Fee 07 231H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- Otis Fee 07 221H well to be horizontally drilled to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 7;
- Otis Fee 07 232H well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7; and
- Otis Fee 07 212H well to be horizontally drilled to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 7.

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 2 miles northwest of Loving, New Mexico.
#5180935, Current Argus, March 22, 2022