1625 N. French Dr., Hobbs, NM 38240 ECEVED Phone: (575) 393-6161 Fax: (575) 393-0720

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

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-720 **3 2019**

1000 Rio Brazos Road, Aztec, NM 87410

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

DISTRICT II-ARTESIA O.G.D.
1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 30-015- 46086 15011 | | CULEBRA BLUFF; BONE SPRING, SOL | | |
|---------------------------------------|---|--|---------------|--|
| ¹ Property Code 325 748 | ³ Property Name RANA SALADA FED COM 0504 | | 6 Well Number | |
| ⁷ OGRID No. 372920 | • | OVO OIL AND GAS NORTHERN DELAWARE, LLC | | |
| | 10 Sirr | face I ocation | | |

Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County I 6 29 E 23 S 1443 SOUTH 612 **EAST EDDY** " Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Section Township Range Feet from the North/South line Feet from the East/ West line County 4 23 S 29 E 1870 SOUTH 330 **EAST EDDY** u Dédicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 320 C

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.

| | | * | | "OPERATOR CERTIFICATION |
|---|---|--|--|---|
| | | 1 | | 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 |
| NW CORNER SEC. 5 LAT: = 32.3420477N | SECTION CORNER AT. = 32.34177.41'N | SECTION CORNER LAT. = 32,3417246N | NE CORNER SEC. 4 LAT. = 32,3416792N | bottom hole location or has a right to drill this well at this location pursuant to |
| NNSP EAST (FT) | ING. = 104.0153768'W NMSP EAST (FT) | LONG. = 103,9982714W NMSP EAST (FT) | LONG. = 103.9811510W NMSP EAST (FT) | a contract with an owner of such a mineral or working interest, or to a |
| N = 488299.91 E = 634415.99 | N = 488215.14 E = 639533.08 | N = 488213.27 E = 644815.88 | N = 488213.70 E = 650103.34 | voluntary pooling agreement or a compulsory pooling order heretofore entered |
| N/4 CORNER SEC. | 16 N/4 CORNER SEC. 5 | N/4 CORNER SE | 2. 4 | by the division. |
| LAT. = 32.3418009 LONG. = 104.02394 | | LAT. = 32.34169 LONG. = 103.98970 | | 7-28-18 |
| NMSP EAST (FT) N==488217:15 | NMSP EAST (FT) N=-488216:38 | NMSP EAST N= 48821 | | Signature Date |
| E = 636888.30 | E = 642174.05 | £ = 64746 | 1.63 | BRIAN WOOD |
| | TAKE POINT LAT. 32,33210 | BOTTOM OF HOL | | Printed Name |
| 0504 133H ELEV. = 3041.2' | LONG. '= 104.0145 | 029 W LAT. = 32.33228131 LONG. = 103.982350 | | brian@permitswest.com |
| LDNG. = 104.0175754 | (IAMOOD) : N - ABTEUR US | NMSP EAST (FT) N = 484793.60 | E/4 CONNER SEC. 4 | E-mail Address |
| NMSP EAST (FT) N = 484287.29 | QUARTER CORNER QUART | ER CORNER E = 649744.11 | LAT. = 32.3344615'N LONG. = 103.9812794'W | (505) 466-8120 |
| <u>E</u> = 638865.65 | LONG. = 104.0155256W LONG. = 10 | 3.9983985W | NMSP EAST (FT) N = 485587.83 | |
| W/4 CORNER SEC. 6 SEC. LAT. = 32.8348340'N SEC. LONG. = 104.0319894'W | N = 485507,76 | EAST (FT) SE(| 4 E = 650072.31 | "SURVEYOR CERTIFICATION |
| INSP EAST (FT) | CRID AZ. = | N89 26'32'E HORIZ, DIST 9933,33 FT | воттом - | I hereby certify that the well location shown on this plat was |
| N = 485575.58 612' | GRID AZ. = N66'37'36"E | | OF HPLE | plotted from field notes of actual surveys made by me or under |
| LOCATION | GRIDI AZ. = N66'37'36"E HORIZ. DIST. = 1032.77 FT | | 170 | my supervision, and that the same is true and correct to the |
| | | | | best of my belief. |
| S/4 CORNER SEC. 6 | | S/4 CORNER SEC | . 4 | JUNE 26, 2018 NON F. JAA |
| LAT. = 32.3272315N LONG. = 104.0239843 | | LAT. = 32.327114 LONG. = 103.989908 | | |
| NMSP EAST (FT) N = 482916.93 | nimsp East (ft) N = 482882.06 | NNSP EAST (N = 482908 | | Date of Survey |
| E = 636890.08 SW CORNER SEC. 6 | E = 642095.38 | E = 647415 | | |
| LAT. = 32.3275007 N | Section Corner . = 32.3269490'n | SECTION CORNER LAT. = 32.3270813 N | SE CORNER SEC. 4 LAT. = 32.3271459'N | 12721/1Ph 0// |
| NMSP EAST (FT) | S. = 104.01567657W NNSP EAST (FT) | LONG. = 103.9985277'\ NMSP EAST (FT) | LONG. = 103.9812889'W NMSP EAST (FT) | XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX |
| E = 634422.64 | N = 432821.66 E = 639456.52 | N = 482885.93 E = 644753.39 | N = 482926.50 E = 650078.10 | Signature and Seal of Professional Surveyor |
| | c = 03373032 | | | Ceruncale Number FILINGS FLIARAMILLO, PLS 12797 |
| | • | | ζ | SURVEY NO. 6156A |
| VIII. | | | | |

Rup 6-13-19

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Date: 7/22/2018

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Original to Appropriate District Office

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

GAS CAPTURE PLAN

| | , | | |
|---|---|-----------------------|--|
| | 4 | <u>.</u> | |
| X | Original | Operator & OGRID No.: | Novo Oil & Gas Northern Delaware, LLC (372920) |
| | Amended - Reason for A | mendment: | • |

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: A C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule 19.15.18.12.A

Well(s)/Production Facility - Name of facility

The well(s) that will be located at the production facility are shown in the table below.

| Well | API | SHL (ULSTR) | SHL Footages | Expected MCF/D | Flared or Vented | Comments |
|-----------------------------------|---------|-------------|-----------------------|-------------------|------------------|-------------------------------|
| Rana Salada Fed Com 0504 234H | 30-015- | P-6-23S-29E | 1241 FSL & 669 FEL | 7500 | 30 days | Time depends on well clean up |
| Rana Salada Fed Com 0504 214H | 30-015- | P-6-23S-29E | 1242 FSL & 639 FEL | 7500 | 30 days | Time depends on well clean up |
| Rana Salada Fed Com. 0504 134H | 30-015- | P-6-23S-29E | 1243 FSL & 609 FEL | 2500 | 30 days | Time depends on well clean up |
| Rana Salada Fed Com 0504 133H | 30-015- | I-6-23S-29E | 1443 FSL & 612 FEL | 2500 | 30 days | Time depends on well clean up |

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is not yet dedicated. However, negotiations are underway. One possible connection is an existing NM Gas Company line that is 100 yards southwest. Novo Oil & Gas Northern Delaware, LLC will provide (periodically) to its Gas Transporter a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Novo Oil & Gas Northern Delaware, LLC and its Gas Transporter have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at an as yet undetermined Gas Transporter Processing Plant located in Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on its <u>Gas Transporter</u> system at that time. Based on current information, it is <u>Novo Oil & Gas Northern Delaware</u>, <u>LLC's</u> belief an existing or new system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.