District.1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District.11 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District.111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District.11V 1220 S. St. Francis.Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462			Energ	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION ^{Su} 1220 South St. Francis Dr. JUN 0 3 2019 Santa Fe, NM 87505 DISTRICT IL-ARTESIA O.C.D.						omit one	Form C-102 vised August 1, 2011 e copy to appropriate District Office MENDED REPORT
		1	WELL LC)CAT	ION AND	ACF	REAGE DEDI	CATION PL	AT		
30-015- 46085				' Pool Code 98220			' Pool Name PURPLE SAGE; WOLFCAI				GAS)
⁴ Property Co		¹ Property Name						* Well Number			
325746				RANA SALADA FED COM 0605						231H	
'OGRID No. 372920			NOVO	[•] Operator Name NOVO OIL AND GAS NORTHERN DELAWARE, LLC						[°] Elevation 3089.1	
					[∞] Surf	face 1	Location				
UL or lot no.	Section	Townshi	p Range	Lot Id	in Feet from	the	North/South line	Feet from the	East/W	est line	County
	1	23 S	28 E		1127	7	NORTH	395	EA	ST	EDDY
			" B	ottom	Hole Loca	tion	If Different Fr	om Surface			
UL or lot no.			p Range	-		the	North/South line	Feet from the	East/ W	est line	County
	5	23 S			330		NORTH	330	EA	ST	EDDY
¹² Dedicated Acres 636.09	¹⁾ Joint of	r Infill	Consolidation	Code	¹³ Order No.			331	κ		

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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.

	" 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
	borrom hole location or has a right to drill this well at this location pursuant to
NW CORNER SEC. 1 SECTION CORNER SECTION CORNER NE CORNER SEC. 5 UAT. = -32.342046N LAT. = -32.342046N LAT. = -32.34277N LAT. = -32.3417741N LAT. = -32.341774N LAT.	a contract with an owner of such a mineral or working interest, or to a
LONG = 104.01537687W LONG = 103.9982714W	voluniary pooling agreement of a compulsory popling onler heretufore entered
E = 629/3.10 $E = 639533.08$ $E = 644815.88$	by the division. R.
LAT. = 32.3420546 N LAT. = 32.3418009 N LAT. = 32.3417556 N	Stelevol 6-30-18
N = 488294.97 LLNC = 104.0062/30W	
	Signature Date
	BRIAN WOOD
GRID AZ. 9 N42'44'40'E N GRID AZ. = 589'33'30'E E GRID DIST. = 9739'46 FT	Printed Name
1395 - I II II FIRST TAKE POINT & BOTTOM OF HOLE OF HO	brian@permitswest.com
UNE = 104.0308823W EN = 487883.69	E-mail Address
B LONG = 184.04928677W CONNER N = 487958.73 9 E = 644482.07 9 8 N = 485597.21 9 E = 644482.07 1/4 CORNER E 634745.14 9 E /4 CORNER SEC. 5	(505) 466-8120
E = 029067.40SEC. +1/4 CONVER2 E/4 CONVER SEC. 5 /# LUT = 32.3343345SEC. 6LI. = 32.3343915N LUNC = 100.9318834W	
RANA SALADA FED CON N = 485675.58 1/4 CORNER C	"SURVEYOR CERTIFICATION
ELEV. = 100631 8 LG (004.01525679 3	I hereby certify that the well location shown on this plat was
LONG. = 104.0332427W	plotted from field notes of actual surveys made by me or under
S N ∞ 487172.46 5 S S S S S S S S S	my supervision, and that the same is true and correct to the
	best of my belief 314 F. J.4.5
5/4 CORNER SEC. 1 S/4 CORNER SEC. 6 S/4 CORNER SEC. 5	best of my beller.
LONG. = 32.227207 N LAT. = 32.227235 N LAT. = 32.227235 N LONG. = 104.0405326 W LONG. = 104.0405326 N LONG.	JUNE 26 2018 AL MEL
N = 482966.55 N = 482916.93 N = 482862.06 £ = 631741.32 F = 53890.09	Date of Survey The Second
SW CORNER SEC. 1 SECTION CORNER SEC. 1 LAT. = 32.3275007N SECTION CORNER SEC. 5	
LONG. = 104.04933507W LONG. = 104.03197167W LAT. = 32.32694907N SCALED N = 482925.17 N = 483007.81 LONG. = 104.01567657W	
K = 629251.57 E = 634422.64 E = 639456.52	XESON APULLAN (4)
	KALL JULIA
	Signature and Scal of Protestiman Supervision
	Certificate Number PULIMON F. JARAMILLO, PLS 12797
	SURVEY NO. 6144B

RW 6-13-19

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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

Date: 6/30/2018

X Original

Operator & OGRID No.: Novo Oil & Gas Northern Delaware, LLC (372920)

□ Amended - Reason for Amendment:

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	AP]	SHL (ULSTR)	SHL Footages	Expected MCF/D	Flared or Vented	Comments
Rana Salada Fed Com 0605 231H	30-015- :	A-1-23S-28E	1127 FNL & 395 FEL	7500	30 days	Time depends on well clean up
Rana Salada Fed Com 0605 211H	30-015-	A-1-23S-28E	1127 FNL & 365 FEL	7500	30 days	Time depends on well clean up
Rana Salada Fed Com 0605 121H	30-015-	A-1-23S-28E	1127 FNL & 335 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 Southern Union Gas Services, Ltd. line that is 200 yards west. <u>Novo Oil & Gas Northern</u> <u>Delaware, LLC</u> will provide (periodically) to its <u>Gas Transporter</u> a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, <u>Novo Oil & Gas Northern Delaware, LLC</u> and its <u>Gas Transporter</u> have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at an as yet undetermined <u>Gas Transporter</u> Processing Plant located in <u>Eddy</u> 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, 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.