

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

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

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, recomple 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 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. 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 Gas Transporter system at that time. Based on current information, it is Novo Oil & Gas Northern Delaware, LLC's 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.

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr. JUN 03 2019
Santa Fe, NM 87505
DISTRICT II-ARTESIA O.C.D.

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-46085	Pool Code 98220	Pool Name PURPLE SAGE; WOLFCAMP (GAS)
Property Code 325746	Property Name RANA SALADA FED COM 0605	Well Number 231H
OGRID No. 372920	Operator Name NOVO OIL AND GAS NORTHERN DELAWARE, LLC	Elevation 3089.1

" 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	1	23 S	28 E		1127	NORTH	395	EAST	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
1	5	23 S	29 E		330	NORTH	330	EAST	EDDY

" Dedicated Acres	" Joint or Infill	" Consolidation Code	" Order No.
636.09		C	331

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

<p>NW CORNER SEC. 1 LAT. = 32.3420046°N LONG. = 104.0492387°W N = 488269.60 E = 629075.14</p> <p>N/4 CORNER SEC. 1 LAT. = 32.3420546°N LONG. = 104.0408141°W N = 488294.97 E = 631738.67</p> <p>SECTION CORNER LAT. = 32.3420477°N LONG. = 104.0319449°W N = 488299.91 E = 634415.99</p> <p>N/4 CORNER SEC. 6 LAT. = 32.3418009°N LONG. = 104.0239405°W N = 488217.15 E = 636888.30</p> <p>SECTION CORNER LAT. = 32.3417741°N LONG. = 104.0153768°W N = 488215.14 E = 639533.08</p> <p>NE CORNER SEC. 5 LAT. = 32.3417246°N LONG. = 103.9882714°W N = 488213.27 E = 644815.88</p> <p>N/4 CORNER SEC. 5 LAT. = 32.3417556°N LONG. = 104.0068255°W N = 488216.38 E = 642174.05</p>		<p>" 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. <i>Brian Wood</i> Signature Date 6-30-18</p> <p>BRIAN WOOD Printed Name brian@permitswest.com E-mail Address (505) 466-8120</p>	
<p>GRID AZ. = 1070.98 FT GRID DIST. = 1070.98 FT W/4 CORNER SEC. 1 LAT. = 32.3334658°N LONG. = 104.0492867°W N = 488597.21 E = 619087.40</p> <p>SECTION CORNER LAT. = 32.3334658°N LONG. = 104.0492867°W N = 488597.21 E = 619087.40</p> <p>W/4 CORNER SEC. 6 LAT. = 32.3334658°N LONG. = 104.0492867°W N = 488597.21 E = 619087.40</p> <p>SECTION CORNER LAT. = 32.3334658°N LONG. = 104.0492867°W N = 488597.21 E = 619087.40</p> <p>W/4 CORNER SEC. 5 LAT. = 32.3334658°N LONG. = 104.0492867°W N = 488597.21 E = 619087.40</p> <p>SECTION CORNER LAT. = 32.3334658°N LONG. = 104.0492867°W N = 488597.21 E = 619087.40</p>		<p>" 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. JULIAN F. JARAMILLO Date of Survey JUNE 26 2018 Signature and Seal of Professional Surveyor Certificate Number JULIAN F. JARAMILLO, PLS 12797 SURVEY NO. 61448</p>	

RWP 6-13-19