

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Dylan M. Fuge
Deputy Secretary

Dylan M. Fuge, Division Director (Acting)
Oil Conservation Division



Ms. Jaclyn M. McLean
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8734

Novo Oil & Gas Northern Delaware, LLC [OGRID 372920]
Rana Salada 0503 Federal Com Well No. 204H
API No. 30-015-54065

Reference is made to your application received on March 4th, 2024.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	544 FNL & 2296 FWL	C	08	23S	29E	Eddy
First Take Point	330 FSL & 2540 FEL	O	05	23S	29E	Eddy
Last Take Point/ Terminus	330 FSL & 990 FWL	M	03	23S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
S/2 SE/4 Section 05	280.0	Purple Sage; Wolfcamp, Gas	98220
S/2 S/2 Section 04			
SW/4 SW/4 Section 03			

You have requested to complete this horizontal well as a **gas** well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre **gas** spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

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The well's completed interval is as close as 100 feet to the western boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 05, encroachment to the SW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to avoid causing wasted resources and reducing the production of well within the Wolfcamp formation underlying S/2 SE/4 of Section 05, S/2 S/2 of Section 04 and the SW/4 SW/4 of Section 03, and thereby protecting correlative rights.

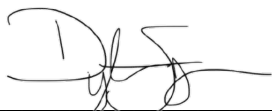
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



DYLAN M. FUGE
Division Director (Acting)
DMF/lrl

Date: 4/5/24

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

CONDITIONS

Action 335401

CONDITIONS

Operator: NOVO OIL & GAS NORTHERN DELAWARE, LLC 300 N. Marienfeld St Ste 1000 Midland, TX 79701	OGRID: 372920
	Action Number: 335401
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/19/2024