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

APPLICATIONS OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

#### Township 23 South, Range 29 East, Eddy County, New Mexico

| Case 16281 | BONE SPRING – N/2Ń/2 Section 6 and Lots 2 – 4 Section 5<br>Rana Salada Fed Com 1 5 23S 29E 2B #1H                            |
|------------|--|
| Case 16282 | BONE SPRING – S/2S/2 Section 4 and Section 5<br>Rana Salada Fed Com 6 4 23S 29E 3B #1H                                       |
| Case 16283 | BONE SPRING – N/2S/2 Section 4 and Section 5<br>Rana Salada Fed Com 6 4 23S 29E 3B #2H                                       |
| Case 16285 | WOLFCAMP – N/2 Sections 5 and Section 6<br>Rana Salada Fed Com 1 5 23S 29E WB #1H<br>Rana Salada Fed Com 1 5 23S 29E WXY #1H |
| Case 16286 | WOLFCAMP – S/2 Sections 4 and 5<br>Rana Salada Fed Com 6 4 23S 29E WB #1H<br>Rana Salada Fed Com 6 4 23S 29E WXY #1H         |

Case 16284 AMENDED - BONE SPRING – E/2E/2 Section 5 and will be re-noticed for August 23rd

District 1
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

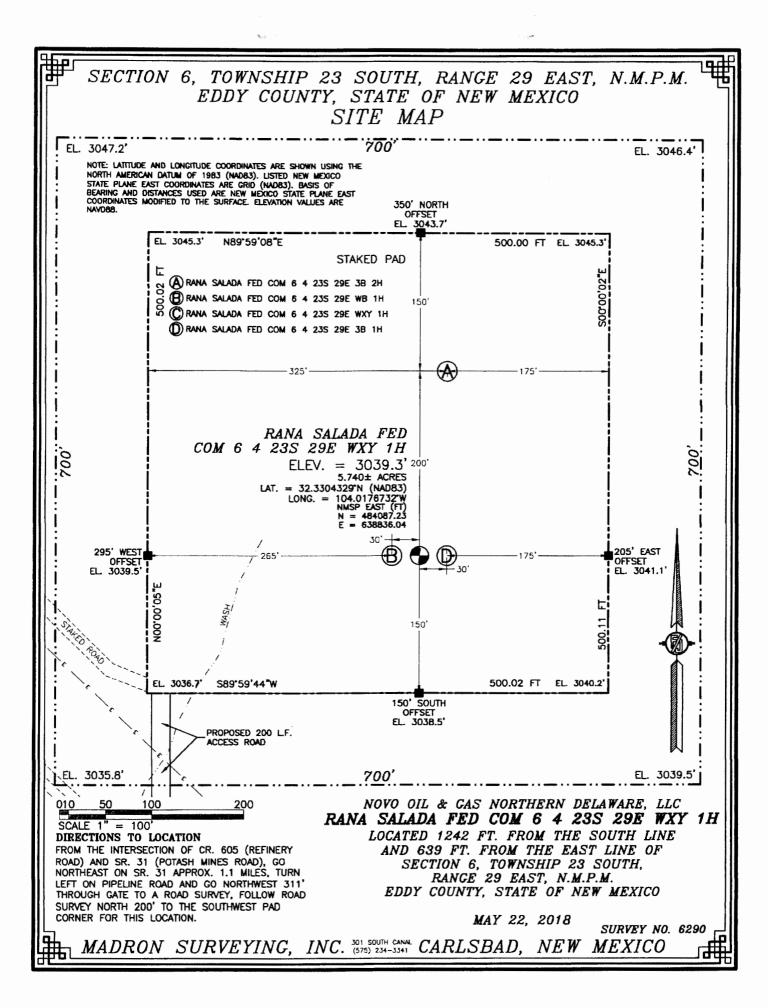
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

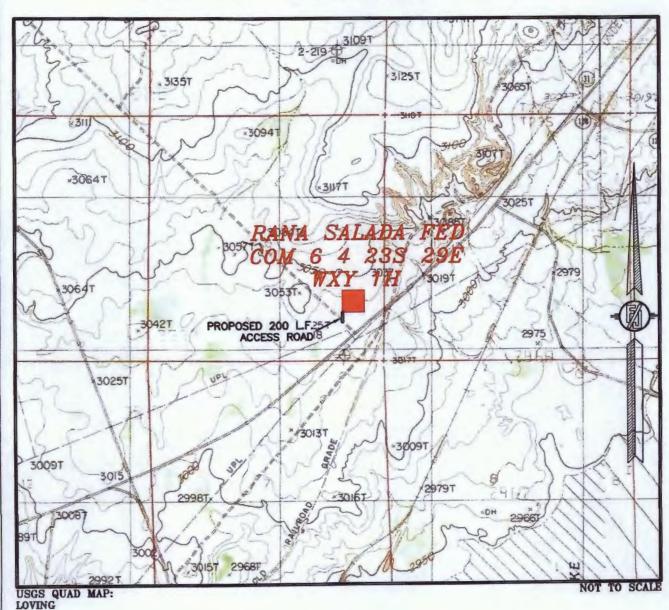
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1,4                         |                            | <sup>2</sup> Pool Cod | le                          | <sup>3</sup> Pool Name |                  |         |                   |                 |            |                          |                        |  |
|-----------------------------|----------------------------|-----------------------|-----------------------------|------------------------|------------------|---------|-------------------|-----------------|------------|--------------------------|------------------------|--|
| <sup>4</sup> Property (     | <sup>4</sup> Property Code |                       |                             |                        |                  | perty N | Name              |                 |            | <sup>6</sup> Well Number |                        |  |
|                             |                            |                       | R                           | ANA SA                 | LADA FEI         | CO      | M 6 4 23S 29E     | WXY             |            | 1H                       |                        |  |
| OGRID !                     | No.                        |                       |                             |                        | <sup>8</sup> Ope | rator N | Name              |                 |            |                          | <sup>9</sup> Elevation |  |
| 372920                      | 0                          |                       | NOVO                        | OIL AN                 | D GAS NO         | RTF     | HERN DELAWA       | ARE, LLC        |            |                          | 3039.3                 |  |
|                             |                            |                       |                             |                        | " Surfa          | ace I   | Location          |                 |            |                          |                        |  |
| UL or lot no.               | Section                    | Townsh                | ip Range                    | Lot Idn                | Feet from        | the     | North/South line  | Feet from the   | East/Wo    | st line                  | County                 |  |
| P                           | 6                          | 23 S                  | 29 E                        |                        | 1242             |         | SOUTH             | 639             | EA         | ST                       | EDDY                   |  |
|                             |                            |                       | " P                         | ottom F                | lole Locat       | ion l   | If Different Fro  | om Surface      |            |                          |                        |  |
| UL or lot no.               | Section                    | Townsh                | ip Range                    | Lot Idn                | Feet from        | the     | North/South line  | Feet from the   | East/ W    | est line                 | County                 |  |
| P                           | 4                          | 23 S                  | 29 E                        |                        | 330              |         | SOUTH             | 330             | EA         | ST                       | EDDY                   |  |
| 12 Dedicated Acres          | 13 Joint of                | Infill                | <sup>14</sup> Consolidation | Code 15 O              | rder No.         | •       |                   |                 |            |                          |                        |  |
| No allowable v<br>division. | vill be ass                | igned to              | this comple                 | tion until a           | III interests I  | nave l  | been consolidated | or a non-standa | rd unit ha | s been a                 | pproved by the         |  |

| NW CORNER SEC. 6  LAT. = 32.3420477N  LONG. = 104.0319497W  NMSP EAST (FT)  N = 480299.91  E = 634415.99  N/4 CORNER S  LAT. = 32.3418  LONG. = 104.02  NMSP EAST (FT)                                  | 009'N LAT. = 32.3417556<br>39405'W LONG. = 104.0068255 | N LAT. = 32.341              | 6986'N<br>97047'W   | 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 compulsary pooling order heretofore entered by the division. |
|---|--|------------------------------|---|--|
| RANA SALADA PEL 6 4 23S 29E WX1 ELEV. = 3039.3' — LAT. = 32.3304329 LONG. = 104.0176' NMSP EAST (FT) N = 484087.23 E = 638836.04  | N = 488216.38   E = 642174.05                          | H = 481<br>E = 64<br>B6674'N | E/4 CORNER SEC. 4  LAT. = 32.3344615N  LDNG. = 103.3812794W  NMSP EAST (TT)  N = 485367.83  E = 650072.31  BOTTION 5  OF HOLE | 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.  |
| S/4 CORNER SE  LAT. = 32.3272: LONG. = 104.023  NMSP EAST (FT)  N = 482918.93  E = 636890.08  SW CORNER SEC. 6  LAT. = 32.3275007N  LONG. = 104.0319716'W  NMSP EAST (FT)  N = 483007.81  E = 634422.64 | 115'N LAT. = 32.3270383'N                              | LAT. = 32.327                | 71140'N<br>99083'W<br>ST (FT)<br>2906.22  | Date of Survey  Signature and Survey  Survey NO. 6290  |



## SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



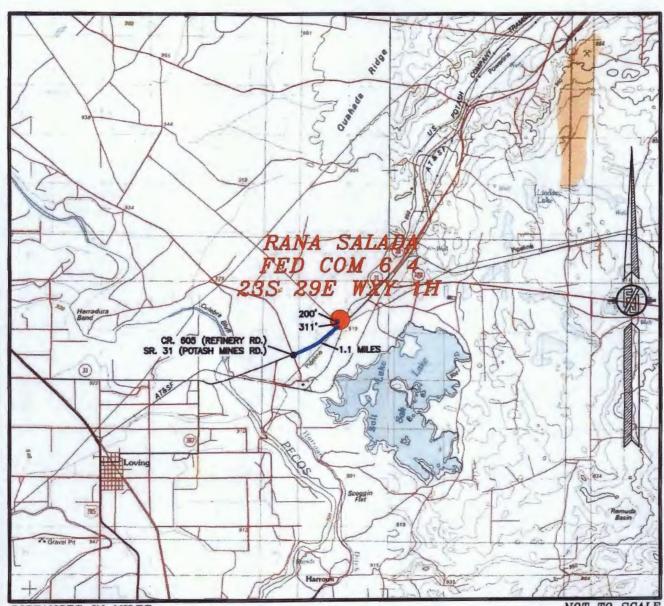
NOVO OIL & GAS NORTHERN DELAWARE, LLC
RANA SALADA FED COM 6 4 23S 29E WXY 1H

LOCATED 1242 FT. FROM THE SOUTH LINE
AND 639 FT. FROM THE EAST LINE OF
SECTION 6, TOWNSHIP 23 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6290

### SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF CR. 605 (REFINERY ROAD)
AND SR. 31 (POTASH MINES ROAD), GO NORTHEAST ON
SR. 31 APPROX. 1.1 MILES, TURN LEFT ON PIPELINE
ROAD AND GO NORTHWEST 311' THROUGH GATE TO A
ROAD SURVEY, FOLLOW ROAD SURVEY NORTH 200' TO
THE SOUTHWEST PAD CORNER FOR THIS LOCATION.

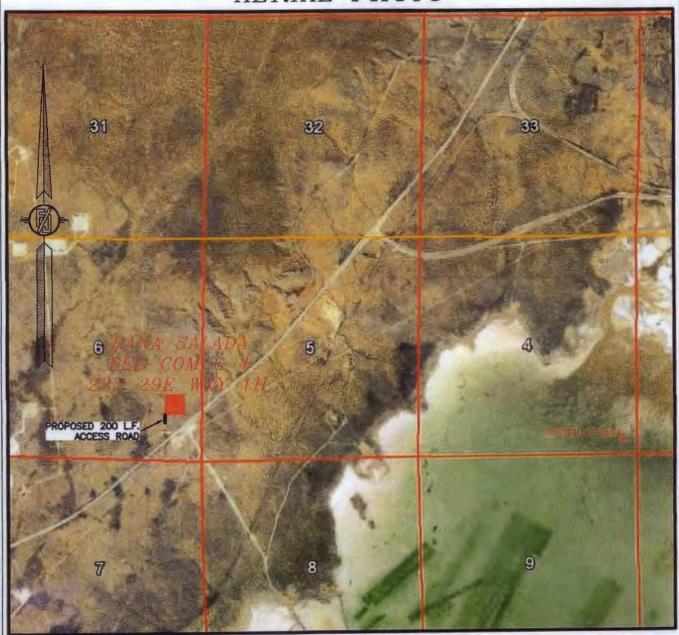
NOVO OIL & CAS NORTHERN DELAWARE, LLC
RANA SALADA FED COM 6 4 23S 29E WXY 1H

LOCATED 1242 FT. FROM THE SOUTH LINE
AND 639 FT. FROM THE EAST LINE OF
SECTION 6, TOWNSHIP 23 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6290

## SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH NOV. 2017

NOVO OIL & GAS NORTHERN DELAWARE, LLC RANA SALADA FED COM 6 4 23S 29E WXY 1H

LOCATED 1242 FT. FROM THE SOUTH LINE AND 639 FT. FROM THE EAST LINE OF SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6290

# SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



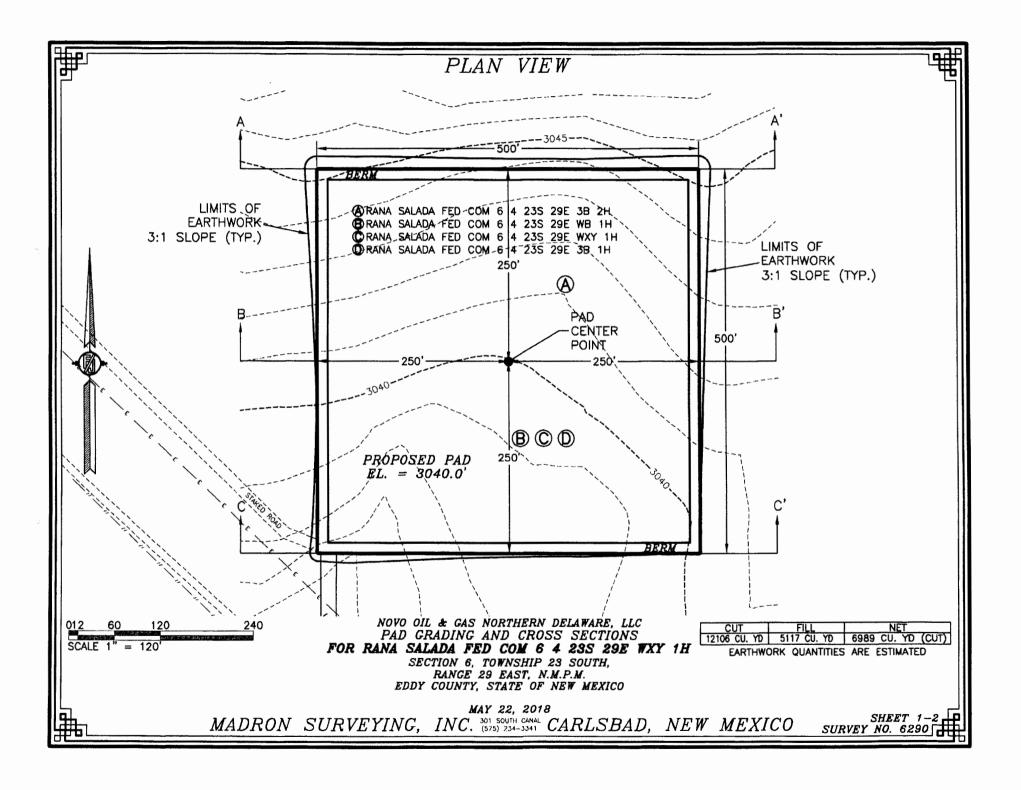
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH NOV. 2017

NOVO OIL & GAS NORTHERN DELAWARE, LLC RANA SALADA FED COM 6 4 23S 29E WXY 1H

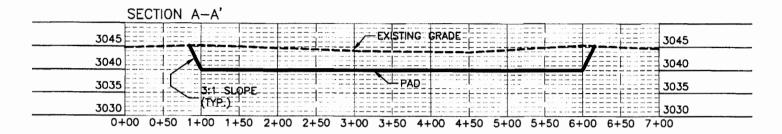
LOCATED 1242 FT. FROM THE SOUTH LINE AND 639 FT. FROM THE EAST LINE OF SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

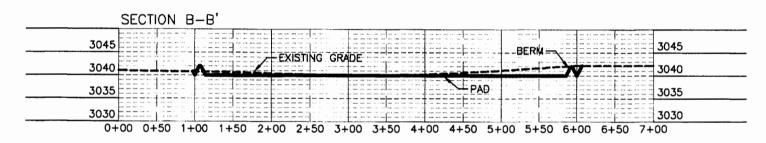
MAY 22, 2018

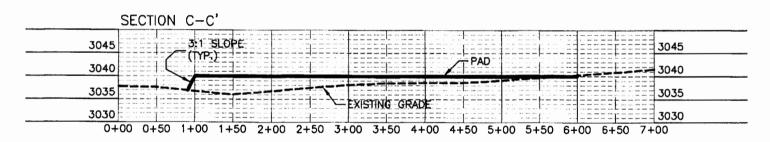
SURVEY NO. 6290

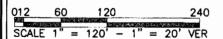












NOVO OIL & GAS NORTHERN DELAWARE, LLC
PAD GRADING AND CROSS SECTIONS
FOR RANA SALADA FED COM 6 4 23S 29E WXY 1H

SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

| CUT          | FILL           | NET               |
|--------------|----------------|-------------------|
| 12106 CU. YD | 5117 CU. YD    | 6989 CU. YD (CUT) |
| EARTHWO      | ORK QUANTITIES | ARE ESTIMATED     |

MAY 22, 2018

MADRON SURVEYING, INC. 501 SOUTH CANAL CARLSBAD, NEW MEXICO

SHEET 2-2 SURVEY NO. 6290 District 1
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

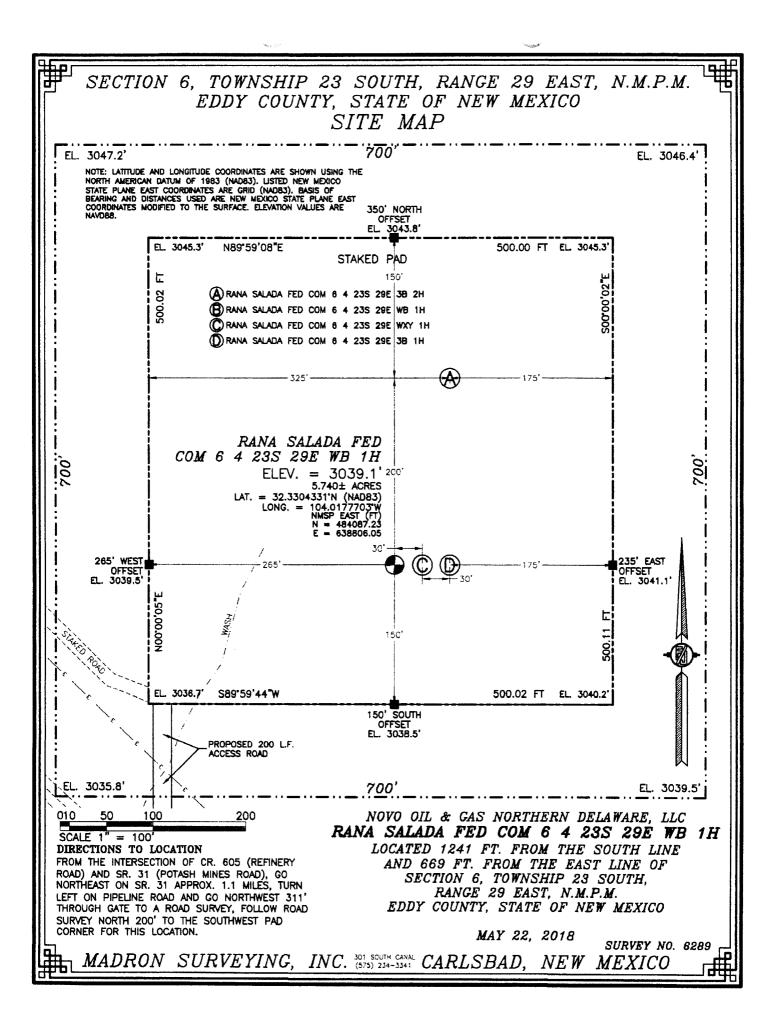
☐ AMENDED REPORT

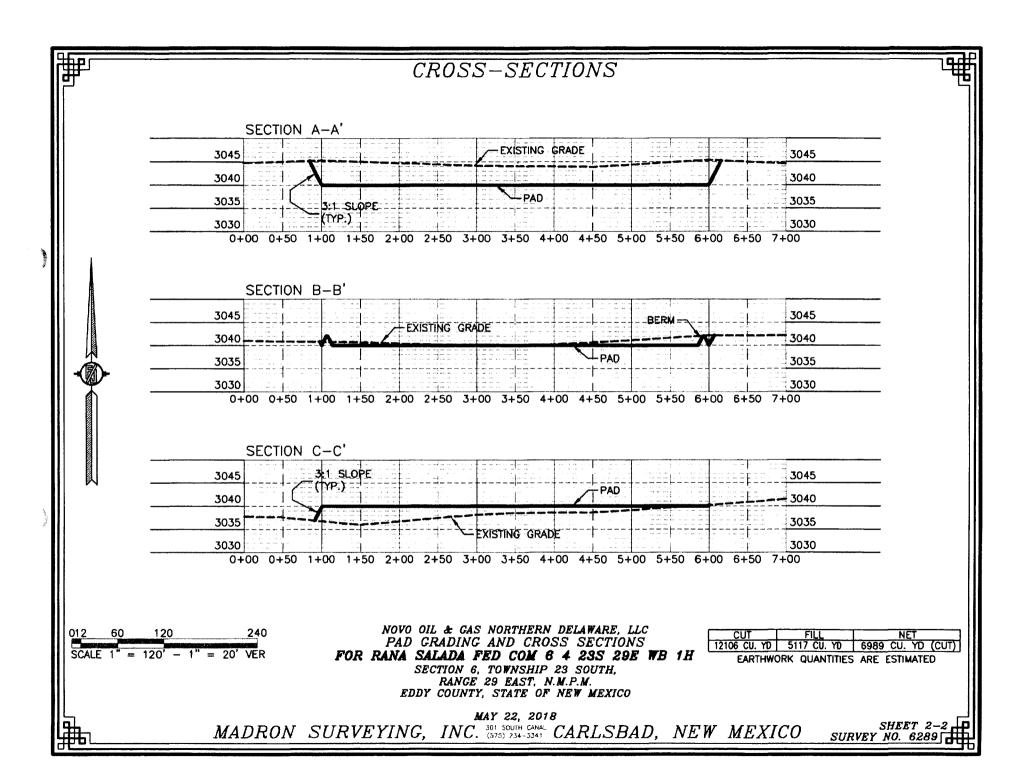
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

| RANA SALADA FED COM 6 4 23S 29E WB  TOGRID No.  372920  NOVO OIL AND GAS NORTHERN DELAWARE, LLC  10 Surface Location  UL or lot no.  P 6 23 S 29 E  11 Bottom Hole Location If Different From Surface  UIL or lot no.  Section  Township Range Lot Idn Feet from the North/South line Feet from the East/West line EAST  11 Bottom Hole Location If Different From Surface  UIL or lot no.  Section Township Range Lot Idn Feet from the North/South line Feet from the East/ West line  |             |  | <sup>3</sup> Pool Name |                            |                  |                       | <sup>2</sup> Pool Code |               |             | Pl Number   | <sup>1</sup> API Number      |  |
|--|-------------|--|------------------------|----------------------------|------------------|-----------------------|------------------------|---------------|-------------|-------------|------------------------------|--|
| 7 OGRID No. 372920 NOVO OIL AND GAS NORTHERN DELAWARE, LLC 3035  10 Surface Location  UL or lot no. Section Township Range Lot Idn Feet from the P 6 23 S 29 E 1241 SOUTH 669 EAST  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 Feet from Surface  |             | <sup>6</sup> Well Number                   |                        | <sup>5</sup> Property Name |                  |                       |                        |               |             |             |                              |  |
| 372920 NOVO OIL AND GAS NORTHERN DELAWARE, LLC  10 Surface Location  UL or lot no. Section Township Range Lot Idn Feet from the P 6 23 S 29 E 1241 SOUTH 669 EAST  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  UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/ West line   | H           |  |                        | WB                         | OM 6 4 23S 29E   | LADA FED C            | RANA SA                | ]             |             | 1           |                              |  |
| UL or lot no. Section Township Range Lot Idn Feet from the P 6 23 S 29 E 1241 SOUTH 669 EAST  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  P 8 Country South Sout | ation       | 'E   |                        |                            | Name             | * Operator            |                        |               |             | 0.          | 7OGRID N                     |  |
| UL or lot no. Section Township Range Lot Idn Feet from the P 6 23 S 29 E 1241 SOUTH 669 EAST  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  Feet from the North/South line Feet from the East/ West line  | 9.1         | NOVO OIL AND GAS NORTHERN DELAWARE, LLC 36 |                        |                            |                  |                       | )                      | 372920        |             |             |                              |  |
| P 6 23 S 29 E 1241 SOUTH 669 EAST  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   |             |  |                        |                            | Location         | <sup>10</sup> Surface |                        |               |             |             |                              |  |
| " 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      | est line                                   | East/Wes               | Feet from the              | North/South line | Feet from the         | Lot Idn                | Range         | Township    | Section     | UL or lot no.                |  |
| UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/ West line  | <b>EDDY</b> | ST   | EAS                    | 669                        | SOUTH            | 1241                  |                        | 29 E          | 23 S        | 6           | P                            |  |
|  |             |  | <u> </u>               | om Surface                 | If Different Fro | ole Location          | Bottom H               | " E           |             |             |                              |  |
| P   4   23 S   29 E     330   SOUTH   330   EAST   | County      | est line                                   | East/ We               | Feet from the              | North/South line | Feet from the         | Lot Idn                | Range         | Township    | Section     | UL or lot no.                |  |
|  | <b>EDDY</b> | ST   | EAS                    | 330                        | SOUTH            | 330                   |                        | 29 E          | 23 S        | 4           | P                            |  |
| <sup>2</sup> Dedicated Acres   <sup>13</sup> Joint or Infill   <sup>14</sup> Consolidation Code   <sup>15</sup> Order No.  |             |  |                        |                            |                  | ler No.               | Code 15 O              | Consolidation | Infill 14 ( | 13 Joint of | <sup>2</sup> Dedicated Acres |  |

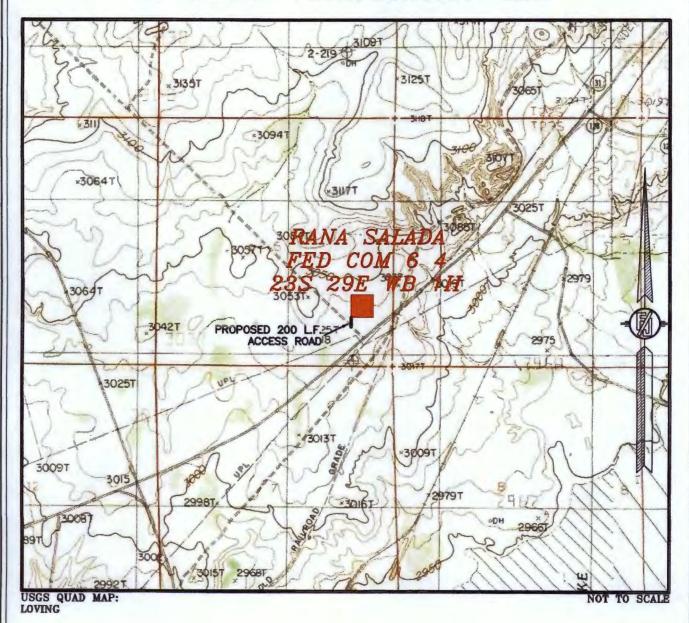
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

|  | "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  |
| NW CORNER SEC. 6 SECTION CORNER SECTION CORNER NE CORNER SEC. 4  LAT. = 32,3420477N  | the proposed bottom hole location or has a right to drill this well at this |
| LONG. = 104.0319449'W LONG. = 104.0153768'W LONG. = 103.9982714'W LONG. = 103.9982714'W LONG. = 103.9982714'W  | location pursuant to a contract with an owner of such a mineral or working  |
| NMSP EAST (FT) N = 488239.91 N = 488213.77 N = 488213.77   | interest, or to a voluntary pooling agreement or a compulsory pooling       |
| E = 634415.99 $E = 639533.08$ $E = 644815.88$ $E = 650103.34$  | order heretofore entered by the division.                                   |
| N/4 CORNER SEC. 5 N/4 CORNER SEC. 5 N/4 CORNER SEC. 4  LAT. = 32.3418009"N LAT. = 32.3417555"N LAT. = 32.3416986"N  LONG. = 104.0234405"W LONG. = 104.00682555"W LONG. = 103.9897047"W   | ·   |
| NMSP EAST (FT) NMSP EAST (FT) NMSP EAST (FT)<br>N = 488217.15 N = 488216.36 N = 488212.18  | Signature Date  |
| E = 636888.30 $E = 642174.05$ $E = 647461.63$  |   |
| RANA SALADA FED COM TAKE POINT BOTTOM OF HOLE  |   |
| 6 4 23S 29E WB 1H LAT. = 32.3278674'N LAT. = 32.3280489'N  | Printed Name  |
| ELEV. = 3039.1' LONG. = 104.0145895'W LONG. = 103.9823559'W LAT. = 32.3304331'N (NADB\$) NNSP EAST (FT) NNSP EAST (FT)   |   |
| LONG. = 104.0177703W N = 483356.75 N = 483263.91   | E-mail Address  |
| NMSP EAST (FT) $E = 639791.30$ $E = 649747.46$ |   |
| E = 638806.05  | "CLIDVEVOD GEDTIFICATION  |
| W/4 CORNER SEC. 6 SEC. 6 NAISP EAST (FT) NAISP | "SURVEYOR CERTIFICATION   |
| (ONG. = 104.0319894 SURFACE E - 639495/15 SEC. 5 E 644784.96 E - 650072.31   | I hereby certify that the well location shown on this                       |
| MASS EAST (FT) H = 485675.58 E = 834403 64  G683  GRID AZ. = \$46.38.17*E HORIZ DIST. = 1355.48.FT   | plat was plotted from field notes of actual surveys                         |
| вотком 8   | made by me or unde <u>r my sup</u> ervision, and that the                   |
| TAKE POINT GRID AZ.   N89 26'27'E HORIZ. DIST. = 9958.84 FT - 1330'  |   |
|  | same is true and convect to the best of my belief.                          |
| S/4 CORNER SEC. 6  | MAY 22, 2012 W MET  |
| LCNG. = 104.0239845W LONG. = 104.0071330W LONG. = 103.9899085W   | Data of Suns.   |
| NMSP EAST (FT) NMSP EAST (FT) NMSP EAST (FT)<br>N = 482916.93 N = 482862.06 N = 482906.22  | 1 1 10 10 1   |
| E = 636890.08  | 走 (12797),  |
| SW CORNER SEC. 6  Lat. = 32.3275007N Section Corner Section Corner Se Corner Sec. 4  Lat. = 32.3275007N Lat. = 32.327894907N Lat. = 32.32708137N Lat. = 32.32714597N   | 1 /s c//  |
| LONG. = 104.019/16 W LONG. = 103.9985277W LONG. = 103.9985277W LONG. = 103.9985277W  | CARRY HARLY INSTITUTE   |
| N = 483007.81 MMSP EAST (TT) EAST (T | Signature and See of Professional Survivior                                 |
| E = 639456.52 E = 644753.39 E = 650078.10  |   |
| $\ell$   | Certificate Number FILIMON 5. JARAMILLO, PLS 12797                          |
|  | SURVEY NO. 6289   |
|  |   |





### SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP

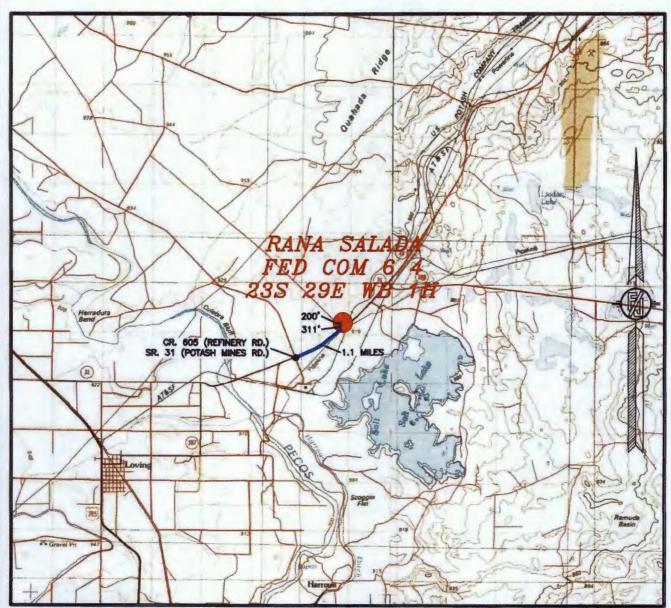


NOVO OIL & GAS NORTHERN DELAWARE, LLC RANA SALADA FED COM 6 4 23S 29E WB 1H LOCATED 1241 FT. FROM THE SOUTH LINE AND 669 FT. FROM THE EAST LINE OF SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6289

### SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

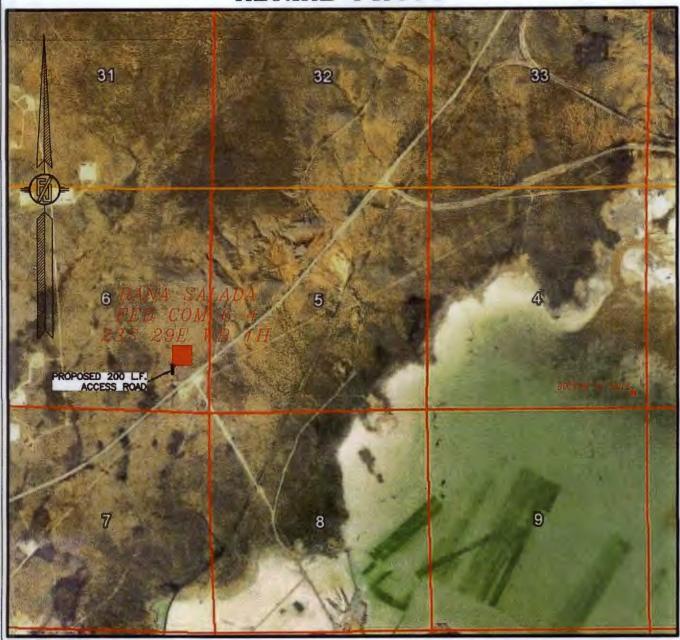
DIRECTIONS TO LOCATION
FROM THE INTERSECTION OF CR. 605 (REFINERY ROAD)
AND SR. 31 (POTASH MINES ROAD), GO NORTHEAST ON
SR. 31 APPROX. 1.1 MILES, TURN LEFT ON PIPELINE
ROAD AND GO NORTHWEST 311' THROUGH GATE TO A
ROAD SURVEY, FOLLOW ROAD SURVEY NORTH 200' TO
THE SOUTHWEST PAD CORNER FOR THIS LOCATION.

NOVO OIL & CAS NORTHERN DELAWARE, LLC
RANA SALADA FED COM 6 4 23S 29E WB 1H
LOCATED 1241 FT. FROM THE SOUTH LINE
AND 669 FT. FROM THE EAST LINE OF
SECTION 6, TOWNSHIP 23 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6289 NEW MEXICO

# SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH NOV. 2017

NOVO OIL & GAS NORTHERN DELAWARE, LLC RANA SALADA FED COM 6 4 23S 29E WB 1H

LOCATED 1241 FT. FROM THE SOUTH LINE AND 669 FT. FROM THE EAST LINE OF SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6289

# SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



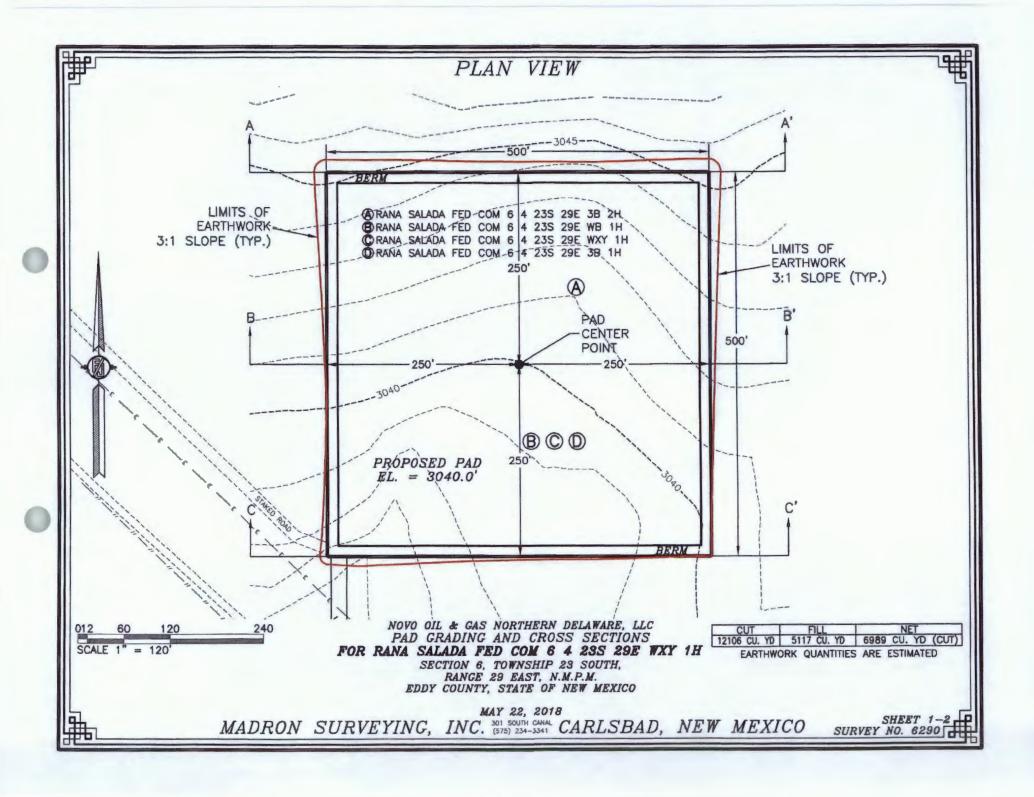
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH NOV. 2017

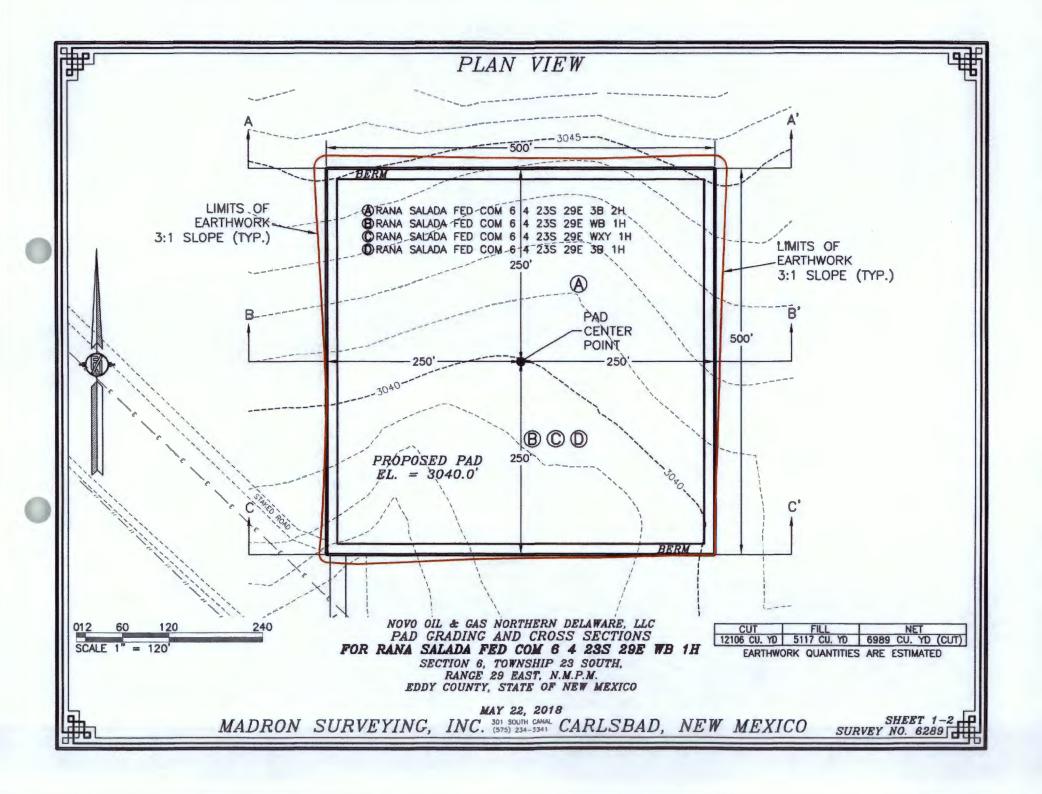
NOVO OIL & GAS NORTHERN DELAWARE, LLC RANA SALADA FED COM 6 4 23S 29E WB 1H

LOCATED 1241 FT. FROM THE SOUTH LINE AND 669 FT. FROM THE EAST LINE OF SECTION 6, TOWNSHIP 23 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 22, 2018

SURVEY NO. 6289







SURFACE PUMPING EQUIPMENT LINER HANGER & ASSOC EQUIP

OUTSIDE OPERATED
TANGIBLE EQUIP-ACQUISITIONS

TOTAL ESTIMATED WELL COST

TOTAL INTANGIBLE COSTS

13 VALVES & FITTINGS
15 RODS
17 TRUCKING
20 RE-ENTRY EQUIPMENT
34 PRODUCTION EQUIPMENT

11 12

48

#### NOVO OIL & GAS NORTHERN DELAWARE, LLC

AUTHORIZATION FOR EXPENDITURE
105 North Hudson Ave. Suite 500

| VELL N   |                             | Rana Salada Fed Com 6 4 23S 29E WB 1H               | AFE TYPE                              | Development       | AFE NUMBER       | 2015011           |
|----------|-----------------------------|---|---------------------------------------|-------------------|------------------|-------------------|
|          | AL LOCATION                 | Twn-23S, Rge-29E, Sec-5/4, Slot-4, Az-E             | FIELD                                 | Northern Delaware | DRILLING DAYS    | 32                |
|          | CE LOCATION                 | Twn-23S, Rge-29E, Sec-6 SE/4                        | FORMATION                             | Wolfcamp B        | DEPTH (TVD/TMD)  | 10,660' / 21,460' |
|          | M-HOLE LOCATION             | Twn-23S, Rge-29E, Sec-4 SE/4                        | COUNTY                                | Eddy County       | STATE            | New Mexico        |
| KOJE     | CT DESCRIPTION              | Drilling, completion, facilities and pipeline costs | ior 9,900 nonzontai                   | well.             |                  |                   |
| CCT.     | 1                           | DESCRIPTION OF EXPENDITURE                          |                                       |                   | COST ESTIMATE    |                   |
| CODE     |                             | INTANGIBLE COSTS                                    |                                       | DRILLING (300)    | COMPLETION (500) |                   |
| 01       | SURVEY/PERMITS/DA           |   |                                       | \$ 25,000         |                  | \$ 25,0           |
| 02       | LOCATION & ROAD             |   |                                       | 50,000            |                  | 50,0              |
| 03       | RIG MOVE                    |   |                                       | 50,000            |                  | 50,0              |
| 04       | DRILLING - FOOTAGE          |   |                                       | 50,000            |                  | 50,0              |
| 05       | DRILLING - DAYWORI          | <   |                                       | 677,000           |                  | 677,0             |
| 06       | COMPLETION/WORK             | OVER RIG  |                                       |                   | 60,000           | 60,0              |
| 07       | COIL TUBING/SNUBB           | ING UNIT  |                                       |                   | 160,000          | 160,0             |
| 08       | SLICKLINE/SWABBIN           | G   |                                       |                   |                  |                   |
| 09       | BITS                        |   |                                       | 100,000           | 5,000            | 105,0             |
| 10       | DIRECTIONAL SERVI           | CES   |                                       | 210,000           |                  | 210,0             |
| 11       | CASING CREW                 |   |                                       | 80,000            |                  | 80,0              |
| 12       | TOOL & EQUIPMENT            | RENTAL  |                                       | 50,000            | 80,000           | 130,0             |
| 13       | FUEL & POWER                |   |                                       | 204,000           | 20,000           | 224,0             |
| 14       | DIESEL - BASE FOR N         |   |                                       | 100,000           |                  | 100,0             |
| 15       | MUD LOGGING & GEO           |   |                                       | 24,000            |                  | 24,0              |
| 16       | DISPOSAL, RESTORA           | TION & BACKFILL                                     |                                       | 150,000           | 12.2.            | 150,0             |
| 17       | TRUCKING                    |   |                                       | 120,000           | 40,000           | 160,0             |
| 18       | TESTING                     |   |                                       |                   |                  |                   |
| 19       | CEMENTING                   |   |                                       | 150,000           | 252.222          | 150,0             |
| 20       | PERFORATING                 |   |                                       | -                 | 358,000          | 358,0             |
| 21       | CASED HOLE LOGS             |   |                                       |                   | 75.000           |                   |
| 22       | DOWNHOLE TOOLS              |   |                                       | <u> </u>          | 75,000           | 75,0              |
| 23       | OTHER STIMULATION           |   |                                       |                   | 120,000          | 120,0             |
| 24       | FORMATION STIMUL            |   |                                       |                   | 4,500,000        | 4,500,0           |
| 25       | CONSULTING SERVICE          | )ES   |                                       | 400.000           | 20,000           | 20,0              |
| 26       | SUPERVISION                 |   |                                       | 100,000           | 100,000          | 200,0             |
| 27       | CONTRACT LABOR              |   |                                       | 2,000             | 20,000           | 22,0              |
| 28       | OTHER LABOR                 | NO CHOY   |                                       | ļ                 | 100,000          | 100,0             |
| 29       | COMPANY CONSULT             | ING/SUPV  |                                       | 20,000            | 891,000          | 911.0             |
| 30<br>31 | WATER<br>FLUIDS & CHEMICALS |   |                                       | 150,000           | 891,000          | 150,0             |
| 32       | CORING & ANALYSIS           |   |                                       | 130,000           |                  | 100,0             |
| 33       | COMMUNICATIONS              |   |                                       | 10,000            | 10,000           | 20,0              |
| 34       | BOP TESTING                 |   | · · · · · · · · · · · · · · · · · · · | 10,000            | 10,000           | 20,0              |
| 35       | DRILL STEM TEST             |   |                                       | 10,000            | 10,000           |                   |
| 36       | FISHING TOOLS & SE          | RVICES  |                                       |                   |                  |                   |
| 37       | INSPECTIONS                 |   |                                       | 10,000            | 5,000            | 15,0              |
| 38       | WIRELINE SERVICES           |   |                                       | 13,000            | -,               | 1                 |
| 39       | ENGINEERING & GEO           |   |                                       |                   |                  |                   |
| 40       | ENGINEERING & GEO           |   |                                       |                   |                  |                   |
| 41       | MULTISHOT & GYRO            |   |                                       |                   |                  |                   |
| 42       | RE-ENTRY SERVICES           |   |                                       |                   |                  |                   |
| 43       | CAMPS & TRAILERS            |   |                                       | 15,000            | 15,000           | 30,0              |
| 44       | SAFETY EQUIPMENT            | & H2S   |                                       | 10,000            | 5,000            | 15,0              |
| 45       | CONTINGENCY                 |   |                                       |                   |                  |                   |
| 46       | INSURANCE                   |   |                                       | 5,000             | 2,000            | 7,                |
| 47       | MISCELLANEOUS               |   |                                       | 10,000            | 1,000            | 11,0              |
| 48       | OUTSIDE OPERATED            |   |                                       |                   |                  |                   |
| 49       | SIM-OPS                     |   |                                       |                   |                  |                   |
|          | TOTAL INTANGIBLE            |   |                                       | \$ 2,382,000      |                  | \$ 8,979,0        |
|          |                             | TANGIBLE COSTS                                      |                                       | DRILLING (400)    | COMPLETION (600) | TOTAL             |
| 01       | CASING - CONDUCTO           | DR  |                                       |                   |                  |                   |
| 02_      | CASING - SURFACE            |   |                                       | \$ 19,290         | ļ                | \$ 19,            |
| 03       | CASING - INTERMEDI          |   |                                       | 129,150           |                  | 129,              |
| 04       | CASING - INTERMEDI          |   |                                       | 266,000           |                  | 266,              |
| 05       | CASING - PRODUCTI           |   |                                       | 397,010           |                  | 397,              |
| 06       | SUBSURFACE EQUIP            |   |                                       | 25,000            | <b>.</b>         | 25,               |
| 07       | PRODUCTION TUBIN            |   |                                       | -                 | 51,488           | 51,               |
|          | ICHDOLIDEACE DUMD           | ING EQUIPMENT                                       |                                       | 1                 |                  |                   |
| 08       |                             |   |                                       |                   |                  |                   |
| 09       | WELLHEAD EQUIPME            |   |                                       | 60,000            | 10,000           | 70,               |
|          |                             | NT  |                                       | 60,000            | 10,000<br>50,000 | 70<br>50          |

| PREPARED BY:         | KURT A. SHIPLEY | Vice President - Operations | DATE: _ | 4/23/2018 |
|----------------------|-----------------|-----------------------------|---------|-----------|
| OPERATOR'S APPROVAL: | ( ) Life        | Chief Financial Officer     | DATE:   | 4/23/2018 |
| OPERATOR'S APPROVAL: | Challes         | Executive VP - Exploration  | DATE: _ | 4/23/18   |
| OPERATOR'S APPROVAL: | 7-in Tall       | Chief Executive Officer     | DATE:   | 9/23/18   |

40,000

10,000

946,450 \$

3,328,450 \$

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2,000

200,000

10,000

333,488 \$

6,930,488 \$

10,000

42,000 0 200,000

20,000 0

1,279,938

10,258,938

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionate share of the actual costs. Please make a note that some expending such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



#### NOVO OIL & GAS NORTHERN DELAWARE, LLC

AUTHORIZATION FOR EXPENDITURE 105 North Hudson Ave. Sulte 500 Oklahoma City, Oklahoma 73102 405.609.1625

| WELL NAME            | Rana Salada Fed Com 6 4 23S 29E WXY 1H  | AFE TYPE  | Development       | AFE NUMBER      | 2015012           |  |
|----------------------|---|-----------|-------------------|-----------------|-------------------|--|
| LATERAL LOCATION     | Twn-23S, Rge-29E, Sec-5/4, Siot-4, Az-E   | FIELD     | Northern Delaware | DRILLING DAYS   | 32                |  |
| SURFACE LOCATION     | Twn-23S, Rge-29E, Sec-6 SE/4  | FORMATION | Wolfcamp XY       | DEPTH (TVD/TMD) | 10,000' / 20,800' |  |
| BOTTOM-HOLE LOCATION | Twn-23S, Rge-29E, Sec-4 SE/4  | COUNTY    | Eddy County       | STATE           | New Mexico        |  |
| PROJECT DESCRIPTION  | Drilling, completion, facilities and pipeline costs for 9,900' horizontal well. |           |                   |                 |                   |  |

| ACCT.    | DESCRIPTION OF EXPENDITION                      |  | COST ESTIMATE                  |                    |
|----------|---|--|--------------------------------|--------------------|
| CODE     |   | DRILLING (300)   | COST ESTIMATE COMPLETION (500) | TOTAL              |
|          | SURVEY/PERMITS/DAMAGES/LEGAL                    | \$ 25,000  | COMPLETION (500)               | \$ 25,000          |
|          | LOCATION & ROAD                                 | 50,000   |                                | 50,000             |
| 03       | RIG MOVE  | 50,000   |                                | 50,000             |
| 04       | DRILLING - FOOTAGE                              | 50,000   |                                | 50,000             |
| 05       | DRILLING - DAYWORK                              | 677,000  |                                | 677,000            |
| 06       | COMPLETION/WORKOVER RIG                         | nodes comments and a second se | 60,000                         | 60,000             |
| 07       | COIL TUBING/SNUBBING UNIT                       |  | 160,000                        | 160,000            |
|          | SLICKLINE/SWABBING<br>BITS                      | 100.000  | F 000                          | 105.000            |
| 10       | DIRECTIONAL SERVICES                            | 100,000  | 5,000                          | 105,000<br>210,000 |
| 11       | CASING CREW                                     | 80,000   |                                | 80,000             |
| 12       | TOOL & EQUIPMENT RENTAL                         | 50,000   | 80,000                         | 130,000            |
| 13       | FUEL & POWER                                    | 204,000  | 20,000                         | 224,000            |
| 14       | DIESEL - BASE FOR MUD                           | 100,000  |                                | 100,000            |
| 15       | MUD LOGGING & GEOLOGIST                         | 24,000   |                                | 24,000             |
| 16       | DISPOSAL, RESTORATION & BACKFILL                | 150,000  |                                | 150,000            |
| 17       | TRUCKING  | 120,000  | 40,000                         | 160,000            |
| 18       | TESTING   | 150.000  |                                | 0                  |
| 19<br>20 | CEMENTING PERFORATING                           | 150,000  | 259.000                        | 150,000            |
| 21       | CASED HOLE LOGS                                 |  | 358,000                        | 358,000            |
| 22       | DOWNHOLE TOOLS & SERVICE                        |  | 75,000                         | 75,000             |
| 23       | OTHER STIMULATION                               |  | 120,000                        | 120,000            |
| 24       | FORMATION STIMULATION                           |  | 4,500,000                      | 4,500,000          |
| 25       | CONSULTING SERVICES                             |  | 20,000                         | 20,000             |
| 26       | SUPERVISION                                     | 100,000  | 100,000                        | 200,000            |
| 27       | CONTRACT LABOR                                  | 2,000  | 20,000                         | 22,000             |
| 28       | OTHER LABOR                                     |  | 100,000                        | 100,000            |
| 29       | COMPANY CONSULTING/SUPV                         |  |                                | 0                  |
| 30       | WATER   | 20,000   | 891,000                        | 911,000            |
|          | FLUIDS & CHEMICALS                              | 150,000  |                                | 150,000            |
|          | CORING & ANALYSIS COMMUNICATIONS                | 10,000   | 10,000                         | 20.000             |
| 34       | BOP TESTING                                     | 10,000   | 10,000<br>10,000               | 20,000             |
|          | DRILL STEM TEST                                 | 10,000   | 10,000                         | 20,000             |
| 36       | FISHING TOOLS & SERVICES                        |  |                                | 0                  |
| 37       | INSPECTIONS                                     | 10,000   | 5,000                          | 15,000             |
| 38       | WIRELINE SERVICES                               |  |                                | 0                  |
| 39       | ENGINEERING & GEOLOGY - FIELD                   |  |                                | 0                  |
| 40       | ENGINEERING & GEOLOGY - OFFICE                  |  |                                | 0                  |
|          | MULTISHOT & GYRO                                |  |                                | 0                  |
|          | RE-ENTRY SERVICES                               |  |                                | 0                  |
|          | CAMPS & TRAILERS                                | 15,000   | 15,000                         | 30,000             |
| 44       | SAFETY EQUIPMENT & H2S                          | 10,000   | 5,000                          | 15,000             |
|          | CONTINGENCY<br>INSURANCE                        | 5,000  | 2.000                          | 7,000              |
|          | MISCELLANEOUS                                   | 10,000   | 2,000<br>1,000                 | 7,000<br>11,000    |
|          | OUTSIDE OPERATED                                | 10,000   | 1,000                          | 11,000             |
|          | SIM-OPS   |  |                                | 0                  |
|          | TOTAL INTANGIBLE COSTS                          | \$ 2,382,000   | \$ 6,597,000                   | \$ 8,979,000       |
|          | TANGIBLE COSTS                                  | DRILLING (400)   | COMPLETION (600)               | TOTAL              |
| 01       | CASING - CONDUCTOR                              |  | , , ,                          |                    |
|          | CASING - SURFACE                                | \$ 19,290  |                                | \$ 19,290          |
|          | CASING - INTERMEDIATE                           | 129,150  |                                | 129,150            |
|          | CASING - INTERMEDIATE II                        | 266,000  |                                | 266,000            |
|          | CASING - PRODUCTION / LINER                     | 384,800  |                                | 384,800            |
|          | SUBSURFACE EQUIPMENT                            | 25,000   | 10.00-                         | 25,000             |
|          | PRODUCTION TUBING SUBSURFACE PUMPING EQUIPMENT  |  | 48,300                         | 48,300             |
|          | WELLHEAD EQUIPMENT                              | 60,000   | 10,000                         | 70,000             |
|          | FLOWLINES                                       | 80,000   | 50,000                         | 70,000<br>50,000   |
|          | SURFACE PUMPING EQUIPMENT                       |  | 00,000                         | 0 0                |
|          | LINER HANGER & ASSOC EQUIP                      |  |                                | 0                  |
|          | VALVES & FITTINGS                               |  | 10,000                         | 10,000             |
| 15       | RODS  |  |                                | 0                  |
|          | TRUCKING  | 40,000   | 2,000                          | 42,000             |
|          | RE-ENTRY EQUIPMENT                              |  |                                | 0                  |
|          | PRODUCTION EQUIPMENT                            |  | 200,000                        | 200,000            |
|          | MISCELLANEOUS                                   | 10,000   | 10,000                         | 20,000             |
| 47       | OUTSIDE ODEDATED                                |  | ,                              | 0                  |
| 47<br>48 | OUTSIDE OPERATED  TANCIPI E FOLIP ACCULISITIONS |  |                                |                    |
| 47<br>48 | TANGIBLE EQUIP-ACQUISITIONS                     | t 024,040  | \$ 220.200                     | 0                  |
| 47<br>48 |   | \$ 934,240   | \$ 330,300                     | 0<br>\$ 1,264,540  |

| PREPARED BY:         | KURT A. SHIPLEY                         | Vice President - Operations | DATE: _ | 4/23/2018 |
|----------------------|---|-----------------------------|---------|-----------|
| OPERATOR'S APPROVAL: | (11)-                                   | Chief Financial Officer     | DATE:   | 4/23/2018 |
| OPERATOR'S APPROVAL: | Malle                                   | Executive VP - Exploration  | DATE:   | 4/23/18   |
| OPERATOR'S APPROVAL: | Tie July                                | Chief Executive Officer     | DATE:   | 4/23/18   |
|                      | , |                             | -       |           |

The costs of this AFE are estimates only. Participants in this project agree to pay their proportionale share of the actual costs. Please make a note that some expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



May 8, 2018

EOG A Resources, Inc. 5509 Champions Drive Midland, Texas 79706

Attention: Charles Moran

Re: Proposed Rana Salada 5/4 Working Interest Unit (WIU):

Sections 4 and 5, Township 23 South, Range 29 East

Eddy County, NM

Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

#### Mr. Moran:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 BS/WCP WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, EOG A Resources, Inc. owns a 16 net acre interest in the N/2SW/4 of Section, representing a 2.50% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is bpatrick@novoog.com.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



May 8, 2018

EOG Y Resources, Inc. 5509 Champions Drive Midland, Texas 79706

Attention: Charles Moran

Re: Proposed Rans

Proposed Rana Salada 5/4 Working Interest Unit (WIU): Sections 4 and 5, Township 23 South, Range 29 East

Eddy County, NM

#### Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

#### Mr. Moran:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 BS/WCP WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, EOG Y Resources, Inc. owns a 32 net acre interest in the N/2SW/4 of Section 4, representing a 5.0% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the  $3^{rd}$  Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is <u>bpatrick@novoog.com</u>.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



May 8, 2018

EOG M Resources, Inc. 5509 Champions Drive Midland, Texas 79706

Attention: Charles Moran

Re:

Proposed Rana Salada 5/4 Working Interest Unit (WIU): Sections 4 and 5, Township 23 South, Range 29 East

Eddy County, NM

Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

#### Mr. Moran:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 BS/WCP WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, EOG M Resources, Inc. owns a 16 net acre interest in the N/2SW/4 of Section 4, representing a 2.50% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is <a href="mailto:bpatrick@novoog.com">bpatrick@novoog.com</a>.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



May 8, 2018

Marathon Oil Permian, LLC 5555 San Felipe Street Houston, TX 77056

Attention: Chase Rice

Re:

Proposed Rana Salada 5/4 Working Interest Unit (WIU): Sections 4 and 5, Township 23 South, Range 29 East

Eddy County, NM

Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

Mr. Rice:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 BS/WCP WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, Marathon Oil Permian, LLC claims a 160 net acre interest in the S/2S/2 of Section 4 and a 40 net acre interest in the SE/4SE/4 of Section 5 which would represent a 31.25% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is <a href="mailto:bpatrick@novoog.com">bpatrick@novoog.com</a>.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



May 8, 2018

OXY Y-1 Company 5 Greenway Plaza, Suite 110 Houston, Texas 77046-0521

Attention: Jeremy Murphrey

Re: Proposed Rana Salada 5/4 Working Interest Unit (WIU):

Sections 4 and 5, Township 23 South, Range 29 East

Eddy County, NM

Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

#### Mr. Murphrey:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 BS/WCP WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, OXY Y-1 Company owns a 16 net acre interest in the N/2SW/4 of Section 4, representing a 2.50% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. In the alternative, if you elect not to participate in the proposed well, Novo hereby offers \$10,000.00 per net acre to purchase a three (3) year Term Assignment of all of your interest mentioned above, provided that you can deliver a 75% net revenue interest. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is <a href="mailto:bpatrick@novoog.com">bpatrick@novoog.com</a>.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



May 8, 2018

BTA Oil Producers, LLC 104 S. Pecos Midland, TX 79701

Re:

Proposed Rana Salada 5/4 Working Interest Unit (WIU): Sections 4 and 5, Township 23 South, Range 29 East Eddy County, NM

Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

#### Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 BS/WCP WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, BTA Oil Producers claims a 160 net acre interest in the S/2S/2 of Section 4 and a 40 net acre interest in the SE/4SE/4 of Section 5 which would represent a 31.25% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is <u>bpatrick@novoog.com</u>.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



May 8, 2018

XTO Energy, Inc. 810 Houston Street, WTW 1912 Fort Worth, Texas 76102

Attention: Kenneth Hilger

Re: Proposed Rana Salada 5/4 Working Interest Unit (WIU):

Sections 4 and 5, Township 23 South, Range 29 East

Eddy County, NM

Proposed Wells

Rana Salada Fed Com 6 4 23S 29E WB 1H Rana Salada Fed Com 6 4 23S 29E WXY 1H Rana Salada Fed Com 6 4 23S 29E 3B 1H Rana Salada Fed Com 6 4 23S 29E 3B 2H

Mr. Hilger:

Novo Oil & Gas Northern Delaware, LLC ("Novo") as Operator hereby proposes to form a Working Interest Unit (WIU) covering the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, NM. for the Wolfcamp and Bone Spring formations, save and except the 2<sup>nd</sup> Bone Spring formation.

Further, in connection with the formation of the Rana Salada 5/4 WIU, as described above, Novo hereby proposes the drilling of four (4) horizontal wells as more particularly set forth below. According to public records, XTO Energy, Inc. owns an 80 net acre interest in the N/2SE/4 of Section 4, representing a 12.50% working interest in each of the proposed wells described below.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU

Rana Salada Fed Com 6 4 23S 29E WB 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

#### Proposed Wells - Rana Salada 5/4 BS/WCP WIU (cont.)

Rana Salada Fed Com 6 4 23S 29E WXY 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2 of Section 5 and the S/2 of Section 4 will be dedicated to the well as its 640 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 10,000 feet subsurface to evaluate the Wolfcamp "XY" formation. The proposed well will have a measured depth (MD) of approximately 20,800 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 1H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 330' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The S/2S/2 of Section 5 and the S/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the Wolfcamp "B" formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

Rana Salada Fed Com 6 4 23S 29E 3B 2H

SHL: E/2SE/4 of Section 6, Township 23 South, Range 29 East.

BHL: 1,870' FSL, 330' FEL of Section 4, Township 23 South, Range 29 East.

The N/2S/2 of Section 5 and the N/2S/2 of Section 4 will be dedicated to the well as its 320 acre project area. The well will be drilled to an approximate true vertical depth (TVD) of 9,750 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring formation. The proposed well will have a measured depth (MD) of approximately 20,550 feet.

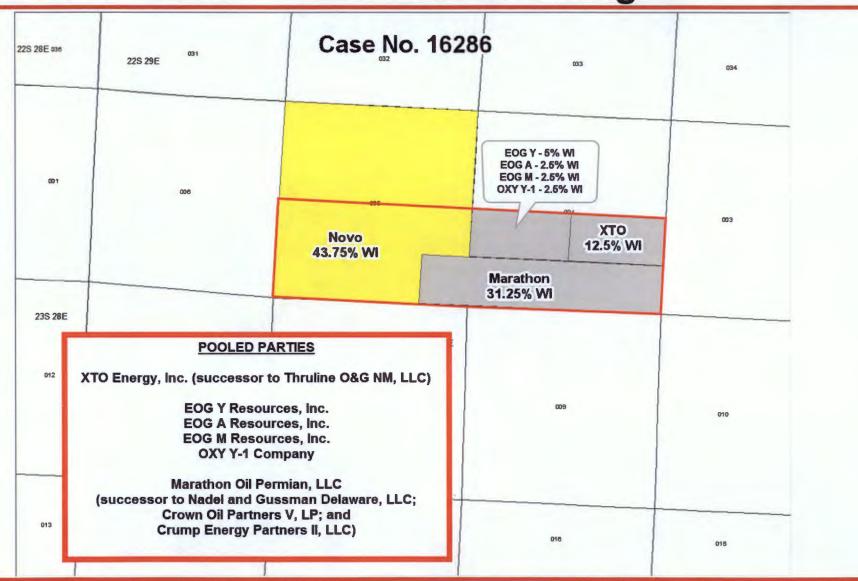
Regarding the above, enclosed for your handling are AFEs for each of the three (3) proposed wells listed above. In the event you elect to participate in the proposed wells, please execute the enclosed AFEs and return to the attention of the undersigned within thirty (30) days from receipt of this letter. Upon receipt of the executed AFEs, Novo will provide you with its proposed Operating Agreement for execution. Should you have any questions regarding the above, please call me at (405) 609-1740 or if by email, my email address is **bpatrick@novoog.com**.

Sincerely,

Novo Oil & Gas Northern Delaware, LLC



### Case No. 16286: Land Plat Showing WI





### **Land Plat Showing Surface Plan**

This surface plan was analyzed and approved by the BLM at onsites held March 2018 and November 2017



| Owner Name                           | WI in Project Area | Committed to Unit? | Comment  |
|--------------------------------------|--------------------|--------------------|--|
| XTO Energy, Inc.                     | 12.50%             | No                 | Successor to Thruline O&G NM, LLC  |
| EOG Y Resources, Inc.                | 5.00%              | No                 |  |
| EOG Y Resources, Inc.                | 2.50%              | No                 |  |
| EOG Y Resources, Inc.                | 2.50%              | No                 |  |
| OXY Y-1 Company                      | 2.50%              | No                 |  |
|                                      |                    |                    | Successor to Nadel and Gussman Delaware,<br>LLC; Crown Oil Partners V, LP; and |
| Marathon Oil Permian, LLC            | 31.25%             | No                 | Crump Energy Partners II, LLC  |
| ovo Oil & Gas Northern Delaware, LLC | 43.750%            |                    |  |

•

| Cummania   | Communicatio | n Casa No. 1   | 620  |
|------------|--------------|----------------|------|
| Summary of | Communicatio | n - Case No. i | 1020 |

Summary of Correspondence (in chronological order) Party Time Span of Communication Novo initially contacted XTO to collaborate and pick the optimal development plan for the entire "Salt Lake" area (including XTO's "Big Eddy" Unit); Novo and XTO held conference calls and exchanged ideas for development plans; XTO Energy, Inc. 11/2017 - Present XTO and Novo came to an agreement on how Sections 4 and 5 should be developed; Novo proposed wells that match the plan that XTO and Novo agreed upon; Novo and XTO are currently negotiating a JOA where Novo will be named as the operator Novo initially contacted EOG to acquire its interest in N/2SW/4 of Section 4-23S-29E; EOG Y Resources, Inc. Novo sent to EOG well proposal letter and AFE; EOG A Resources, Inc. 4/2018 - Present Novo recently sent to EOG a JOA form EOG M Resources, Inc. Novo sent to OXY a well proposal letter and AFE; OXY is reviewing Novo's JOA form; OXY Y-1 Company 5/2018 - Present OXY elected to participate in Novo's proposed wells in early July 2018

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

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

**CASE NO. 16286** 

**AFFIDAVIT OF PUBLICATION** 

# CURRENT-ARGUS

#### AFFIDAVIT OF PUBLICATION

Ad No. 0001252432

BEATTY & WOZNIAK, P.C. 123 WEST 1ST ST. SUITE 120

CASPER WY 82601

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 on the date as follows, to wit:

06/27/18

Legal Clerk

Subscribed and sworn before me this 27th of June 2018.

State of WI County of Brown

My Commission Expires

Ad#:0001252432 P O : 16286 # of Affidavits :0.00



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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15, a.m. on July 12, 2018, in the Oil Conservation Division's Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner, duly appointed for the hearing. OCD Rule Subsection B of 19.15.4.13 NMAC requires parties who intend to present evidence at an adjudicatory hearing to file a prehearing statement no later than the Thursday before the hearing and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson, seven (7) business days prior to the hearing, requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer.

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title interest or claim in the following cases and notice to the public (NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated)

CASE NO. 16286

TO: Crown Oil Partners V, LP, Crump Energy Partners II, LLC, Nadel and Gussman Delaware, LLC, XTO Energy, Inc., EOG Y Resources, Inc., EOG A Resources, Inc., EOG M Resources, Inc., Marathon Oil Permian, LLC, CTV O&G NM, LLC, LMB1 O&G NM, LLC, THRU LINE O&G NM, LLC, SRB1 O&G NM, LLC, Keystone O&G NM, LLC, OXY Y-1 Company, BTA Oil Producers, LLC, WPX Energy, Inc., RKI Exploration & Production, LLC, Chevron USA Production Company, COG Operating LLC, McCully-Chapman, Inc., Wade Petroleum Corporation,

CASE NO. 16286: Application Of Novo Oil & Gas, LLC, for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the

above-styled cause seeks an order creating a 640-acre non-standard spacing and proration unit (project area) in the Wolfcamp formation comprised of the S/2 of Section 4 and S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico. Applicant further seeks the pooling of all uncommitted mineral interests in the Wolfcamp formation underlying this acreage. This non-standard unit is to be dedicated to the applicant's Rana Salada Fed Com 6 4 WB 1H well which will be horizontally drilled to test the Wolfcamp formation from a

surface location in the SE/4SE/4 of Section 6. Township 23 \_\_ith, Range 29 East, to a first take-point location in the SW/4SW/4 of Section 5, Township 23 South, Range 29 East. to a bottom hole location in the SE/4SE/4 of Section 4, Township 23 South, Range 29 East, and the Rana Salada Fed Com 6 4 WXY 1H well which will be horizontally drilled to test the Wolfcamp formation from a surface location in the SE/4SE/4 of Section 6, Township 23 South, Range 29 East, to a first take-point location in the SW/4SW/4 of Section 5, Township 23 South, Range 29 East, to a bottom hole location in the SE/4SE/4 of Section 4, Township 23 South, Range 29 East. The completed interval for each well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage Pool. Also to be considered will be the cost of drilling and completing each well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for risk involved in drilling

the well. Said area is located approximately 5 miles Northeast of Loving, New Mexico. The attorney for applicant is Candace Callahan of Beatty & Wozniak, PC, 500 Don Gaspar Avenue, Santa Fe, New Mexico 87505. Said area is located approximately 5 miles Northeast of

Loving, New Mexico.

June 27, 2018

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

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

COUNTY OF SANTA FE )

**CASE NO. 16286** 

#### **AFFIDAVIT OF NOTICE**

| ) ss. STATE OF NEW MEXICO )  |
|--|
| Candace Callahan, being duly sworn upon her oath, deposes and states:  |
| 1. I am over the age of 18 and have personal knowledge of the matters stated herein  |
| 2. I am an attorney for Novo Oil & Gas, LLC.   |
| 3. Applicant has conducted in good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.                         |
| 4. Notice of the application was provided to the interest owners, at their correct addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A. |
| 5. Applicant has complied with the notice provisions of Form C-108 and Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.  Candace Callahan   |
| SUBSCRIBED AND SWORN TO before me this 11 <sup>th</sup> day of July, 2018 by Candace Callahan.  My Commission Expires:   |
| Notary Public.   |

Official Seal LORETTA A. B:SCHOF

# CERTIFIED MAIL RETURN RECEIPTS CASE NO. 16286 (9416.0006)

| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON DELIVERY  |
|--|--|
| <ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the malipiece, or on the front if space permits.</li> </ul> | A Signature  X A Agent  Addressee  B. Received by Frinted Name)  A Signature  A Agent  Addressee  A Cressee  A Cressee  A Agent  A Addressee  A Addressee  A Agent  A Addressee  A Agent  A Addressee  A Addre |
| 1. Article Addressed to: 9416-0006  Keystone O&G NM, LLC 201 Main Street, Suite 2700  Fort Worth, TX 76102   | D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No   |
| 9590 9402 3887 8060 8356 31  2. Article Number (Transfer from service lebel) 7017 3380 0000 0520 899   | 3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Certified Mail Restricted Delivery  Codiect on Delivery  Collect on Delivery Restricted Delivery  Adil Restricted Delivery  Adil Restricted Delivery  |
| PS Form 3811, July 2015 PSN 7530-02-000-8053   | Domestic Return Receipt  |
| U.S. Postal Service CERTIFIED MAIL® RECE   |  |
| For delivery information, visit our website at  Certified Mall Fee  Stra Services & Fees (check box, add fee as appropriate)  Return Receipt (sectronic)  Return Receipt (sectronic)   | Postmark<br>Here   |

9416-0006

08EE 7.LO7

\$ TKeystone O&G NM, LLC \$201 Main Street, Suite 2700 Fort Worth, TX 76102

PS Form 3800, April 2015 PSN 7530-02-000-90

| COMPLETE THIS SECTION ON DELIVERY  |
|--|
| A. Signature  X. Diex Nation   Agent   Addressee   B. Received by (Frighted Name)   JULIC 20ate of Delivery  |
| D. is delivery address different from item 1?  |
| 3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Cortified Mail Restricted Delivery  Collect on Delivery Restricted Delivery  tall  all Restricted Delivery  Lall Restricted Delivery  Registered Mail Restricted Delivery  Petum Receipt for Merchandise  Signature Confirmation  Signature Confirmation  Restricted Delivery |
|  |

U.S. Postal Service

CERTIFIED MAIL® RECEIPT

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For delivery information, visit our website at www.usps.com

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Return Receipt (hardcopy)

Return Receipt (hardcopy)

Addur Signature Required

Addur Signature Required

THRU LINE O&G NM, LLC

201 Main Street, Suite 2700

Fort Worth, TX 76102

PS Form 3800, April 2015 PSN 7530 67 200 9037

See Reverse for Instructions

| i  |  |
|--|--|
| SENDER: COMPLETE THIS SECTION  | CONFICTE THIS SECTION OF DELIVERY  |
| Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the malipiece, or on the front if space permits. | A. Signature  X. Dux Joseph G. Agent  B. Received by (Printed Name)  G. Date of Delivery  J. L. E. Zill 7  |
| 1. Article Addressed to: 9416-0006 CTV O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102  | D. Is delivery address different from item 1?  |
| 9590 9402 3134 7166 5455 24  2. Article Number (Transfer from service label) 7017 3380 0000 4382 949   | 3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ tall ☐ tall Restricted Delivery ☐ Ollect on Delivery ☐ Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery |
| PS Form 3811, July 2015 PSN 7830-02-000-9063   | Domestic Return Rece   |

| 4646       | U.S. Postal Service <sup>™</sup> CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com®.   |
|------------|---|
| Г          | PT 1. DEC 10. DESIGN AND THE PERSON |
| ш          | OFFICIAL USE  |
| 438        | Certified Mail Fee  |
| =          | S<br>Extra Services & Fees (check box, add fee as appropriate)  |
| _          | Rotum Receipt (hardcopy) \$   |
|            | Return Receipt (electronic) \$ Postmark   |
| 0000       | Certified Mall Restricted Delivery \$ Here Actuit Signature Required \$   |
|            | Actual Signature Restricted Delivery 8  |
| 3380       | Postage   |
| 33         | 9416-0006   |
| m          | CTV O&G NM, LLC   |
| _          | 201 Main Street, Suite 2700   |
| H          | Fort Worth, TX 76102  |
| 7017       |   |
| <u>r</u> ~ |   |
|            | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,   |
|            | PS Form 3800, April 2015 PSN 7530-92-re0-9047 See Reverse for Instructions  |

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|--|--|
| Complete Items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the maliplece, or on the front if space permits. | A. Signature  X. Cishan Variation  B. Repetred by Printed Name)  C. Date of Delivery  Kichard Variation  C. Date of Delivery   |
| 1. Article Addressed to: 9416-0006   | D. is delivery address different from item 1?  If YES, enter delivery address below:  No   |
| Marathon Oil Permian, LLC<br>5555 San Felipe Street<br>Houston, TX 77056<br>Attention: Chase Rice  | ماه  |
| 9590 9402 3134 7166 5455 31  | S. Service Type  Adult Signature Adult Signature Restricted Delivery Contified Mall Restricted Delivery Contified Mall Restricted Delivery Collect on Delvery Collect on Delvery   |
| 2. Article Number (Transfer from service label) 7017 3380 0000 4382 95   | Collect on Delivery Restricted Delivery    Collect on Delivery Restricted Delivery   Signature Confirmation   Signature C |
| PS Form 3811, July 2015 PSN 7530-02-000-8053   | Domestic Return Receipt  |



| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON  | DELIVERY   |
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| <ul> <li>Complete Items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the malipiece, or on the front if space permits.</li> </ul> | A Signifure  X  B. Received by Printed Name  E. Wall  The Printed Name  The Printed | ☐ Agent ☐ Addressee  C. Date of Delivery  LL 212. [9]  |
| 1. Article Addressed to: 9416-0006   | D. Is delivery address different from<br>If YES, enter delivery address   | m Item 1? Yes<br>below: No   |
| COG Operating LLC<br>550 W. Texas Avenue<br>Midland, TX 79702  |   |  |
|  | de  | ·  |
| 9590 9402 3887 8060 8492 87  | S. Service Type Adult Signature Adult Signature Restricted Delivery Cortified MaiP Cortified MaiP Collect on Delivery Collect on Delivery   | Priority Mail Express® Registered Mail* Registered Mail Restricted Delivery Return Receipt for Merchandise |
| 2. Article Number (Transfer from service label) 7017 3380 0000 0520 893  | Collect on Delivery Restricted Delivery all   | ☐ Signature Confirmation ☐ Signature Confirmation Restricted Delivery                                      |
| PS Form 3811, July 2015 PSN 7530-02-000-9053   |   | Domestic Return Receipt  |

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Certified Mail Fee

Stra Services & Fees (sheck box, act fee as appropriate)

Return Receipt (shectron):

Certified Mail Restricted Delivery \$ Postmark

Here

Adult Signature Required

Adult Signature Restricted Delivery \$ P416-0006

COG Operating LLC

550 W. Texas Avenue

Midland, TX 79702

PS Form 3800, April 2015 PSN 7536-02 (93) 2347 See Reverse for Instructions

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. ☐ Agent ■ Print your name and address on the reverse ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) Attach this card to the back of the maliplece, or on the front if space permits. 1. Article Addressed to 9416-0006 If YES, enter delivery address below: SRB1 O&G NM, LLC 201 Main Street, Suite 2700 Fort Worth, TX 76102 00 Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delive ☐ Cartified Mail® 9590 9402 3887 8060 8356 48 □ Collect on Deliver 2. Article Number (Transfer from service label) 7017 3380 0000 0520 9005 PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt : U.S. Postal Service CERTIFIED MAIL® RECEIPT Domestic Mail Only



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| Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the malipiece, or on the front if space permits. | A. Signature  X. M.   | JUN 2 5 2017   |
| 1. Article Addressed to: 9416-0006   | D. Is delivery address different fro<br>If YES, enter delivery address  | mitem 1? 🗀 Yes   |
| LMB1 O&G NM, LLC<br>201 Main Street, Suite 2700<br>Fort Worth, TX 76102  | ole   |  |
| 9590 9402 3134 7166 5455 17  | S. Service Type Adult Signeture Adult Signeture Peetricted Delivery Pricertified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery | ☐ Priority Mell Express®☐ Registered Mell™☐ Registered Mell Restricted Delivery☐ Return Receipt for Merchandles☐ Signature Confirmation™ |
| 2. Article Number (Transfer from service label) 7017 3380 0000 4382 948  | [7] Incomed \$4gjj  | Signature Confirmation<br>Restricted Delivery  |
| PS Form 3811, July 2015 PSN 7530-02-000-9053   |   | Domestic Return Receipt  |



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| Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the malipiece, or on the front if space permits. | A. Signature  X  B. Speedved by (Printing Name)   | G. Date of Delivery   |
| 1. Article Arkinesseri fo: 9416-0006   | D. Is delivery address different from<br>if YES, enter delivery address   |   |
| XTO Energy, Inc. 810 Houston Street, WTW 1912 Fort Worth, Texas 76102 Attention: Kenneth Hilger  | de  |   |
| 9590 9402 3887 8060 8426 22  | S. Service Type Adult Signature Adult Signature Restricted Delivery S'Griffied Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery | □ Priority Meil Express® □ Registered Meil™ □ Registered Meil Restricts Delivery □ Return Receipt for Merchandise |
| P. Article Number (Transfer from service label)  | Collect on Delivery Restricted Delivery Insured Mail * tail Restricted Delivery   | <ul> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation</li> <li>Restricted Delivery</li> </ul>      |
| 7017 3380 0000 0520 911  | L1 9  |   |

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy)

Return Receipt (hardcopy)

Return Receipt (hardcopy)

Adult Signature Required

Adult Signature Restricted Delivery \$ Postmerk

Here

Adult Signature Restricted Delivery \$ 9416-0006

XTO Energy, Inc.

8810 Houston Street, WTW 1912

Fort Worth, Texas 76102

4Attention: Kenneth Hilger

(I

| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON  | DELIVERY  |
|--|---|---|
| Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the malipiece, or on the front if space permits. | A Signature  X QUS  B. Received by (Printed Name)  PUSH CONOC   | Agent Addressee C. Date of Delivery   |
| 1. Article Addressed to: 9416-0006 Nadel and Gussman Delaware, LLC 15 East 5th Street, Suite 3300 Tulsa, OK 74103  | D. Is delivery address different from If YES, enter delivery address  | n Item 1? Yes   |
| 9590 9402 3887 8060 8426 15  2. Article Number (Transfer from service label) 7017 3380 0000 0520 888  PS Form 3811, July 2015 PSN 7530-02-000-9053   | 3. Service Type  Adult Signature Adult Signature Restricted Delivery  Cortified Mail®  Certified Mail Restricted Delivery  Collect on Delivery  Collect on Delivery Restricted Delivery  Insured Mail Adil Restricted Delivery  (9) | □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation Restricted Delivery |

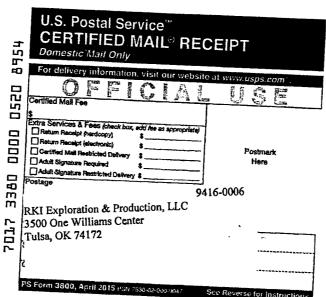


SENDER: COMPLETE THIS SECTION THIS SECTION ON DELIVERY ■ Complete items 1, 2, and 3. Agent Agent Frint your name and address on the reverse Address so that we can return the card to you. C. Date of Delivery Attach this card to the back of the maliplece, or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? If YES, enter delivery address below: 9416-0006 RKI Exploration & Production, LLC 3500 One Williams Center Tulsa, OK 74172 3. Service Type

C) Adult Signature

C) Adult Signature

E) Certified Meil® ☐ Priority Mail Expre 9590 9402 3887 8060 8493 17 Collect on Delivery
 Collect on Delivery Pa
 Insured Meli 2. Article Number (Transfer from service label) 7017 3380 0000 0520 8954 PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt



CONFLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature ■ Complete items 1, 2, and 3. ☐ Agent Print your pame and address on the reverse ☐ Addressee so that we can return the card to you. ■ Attach this card to the back of the maliplece, or on the front if space permits. D. Is delivery address different from item 1? 1. Article Arthreseed to □ No 9416-0006 If YES, enter delivery address below: Crump Energy Partners II, LLC P.O. Box 50820 Midland, TX 7971 3. Service Type

Adult Signsture ☐ Adult Signature Restricted Delivery ☐ Certified Mail® 9590 9402 3887 8060 8359 69 ☐ Curtified Mail Re Collect on Delivery
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Collect on Delivery Restricted Delivery 2. Article Number (Transfer from service label) all Restricted Delivery 7017 3380 0000 0520 8893 Domestic Return Receipt ; PS Form 3811, July 2015 PSN 7530-02-000-9053

U.S. Postal Service CERTIFIED MAIL® RECEIPT Domestic Mail Only 689 0520 ertified Mail Fee xtra Services & Fees (check box, add fee as an 0000 Return Receipt (hardcopy) Return Receipt (electronic) Postmark Certified Mail Restricted Deli Here Adult Signature Required Adult Signature Restricted Delivery 3380 9416-0006 Crump Energy Partners II, LLC P.O. Box 50820 Midland, TX 7971 PS Form 3800, April 2015 PSN 7530-02-003-9047

| SENDER: COMPLETE THIS SECTION  | COMPLETE THIS SECTION ON   | DELIVERY   |
|--|--|--|
| <ul> <li>Complete Items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul> | x Pacluda<br>Brocking by Grande Nation   | Agent Addressee C. Dete of Delivery  |
| 1. Article Addressed to: 9416-0006   | D. is delivery address different for<br>if YES, enter delivery address   | m Item 1? Yes<br>below: No   |
| Crown Oil Partners V, LP<br>P.O. Box 50820<br>Midland, TX 79710  |  |  |
|  | de   |  |
| 9590 9402 3887 8060 8359 76  | S. Service Type  Adult Signature Restricted Delivery  E-Certified Mail®  Certified Mail®  Certified Mail®  Collect on Delivery | ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Pastricted Delivery ☐ Return Receipt for Merchandise |
| 2 Article Minimber (Transfer from service lebel)<br>7017 3380 0000 0520 890  | Collect on Delivery Restricted Delivery  | ☐ Signature Confirmation™<br>☐ Signature Confirmation<br>Restricted Delivery                                       |
| PS Form 3811, July 2015 PSN 7530-02-000-0053   |  | Amaella Bahan Basalah  |

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Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy)

Return Receipt (electronic)

Adult Signature Required

Adult Signature Receipt (ared Delivery)

Restage

To Crown Oil Partners V, LP

SP.O. Box 50820

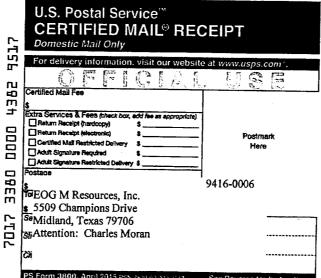
Midland, TX 79710

C

PS Form 3800, April 2015 PSN 753002 200-8617

See Reverse for Instructions





| SENDER: COMPLETE THIS SECTION   | COMPLETE THIS SECTION ON DELIVERY   |  |
|---|---|--|
| Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. | A. Signature  | ☐ Agent ☐ Addressee                                      |
| Attach this card to the back of the mailpiece,<br>or on the front if space permits.                           | B. Received by (Printed Name)   | C. Date of Delivery                                      |
| 1. Article Arkinssed to: 9416-0006  | D. Is delivery address different from                                     | <b>—</b> —   |
| OXY Y-1 Company   | 11 100, William John State Co.  | BEARD  |
| P. O. Box 27570   | T4  |  |
| Houston, TX 77227   | II aumer  | FFAAR  |
| Attention: Jeremy Murphrey  | 11  | ······D  |
|   | 04  |  |
| <u> </u>  | 3. Service Type   | ☐ Priority Mail Express®                                 |
|   | ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Cartified Mail® | ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery |
| 9590 9402 3887 8060 8356 24   | Certified Melt Restricted Delivery  Collect on Delivery                   | Return Receipt for<br>Merchandise                        |
| 2. Article Number (Transfer from service lehell   | Collect on Delivery Restricted Delivery                                   | ☐ Signature Confirmation™                                |
|   | 3 M Restricted Delivery   | Signature Confirmation<br>Restricted Delivery            |
| PS Form 3811, July 2015 PSN 7530-02-000-9053  |   | Domestic Return Receipt                                  |

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Certified Mail Fee

Stria Services & Fees (check box, add fee as appropriate)

Return Receipt (electronic)

Return Receipt (electronic)

Adult Signature Receipt

Adult Signature Receipt

OXY Y-1 Company

Postage

OXY Y-1 Company

Postage

OXY Y-1 Company

Postage

Houston, TX 77227

Attention: Jeremy Murphrey

| SENDER: COMPLETE THIS SECTION  | 003101576 7140 45 0741   |  |
|--|--|--|
| Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  1. Astach Addressed to:  9416-0006  McCully-Chapman, Inc. P. O. Box 1389  Sealy, TX 77474-8502 | A. Signature  X. A. Signature  B. Regetved by (Printed Name)  D. Is delivery address different for if YES, enter delivery address  | G. Delta Del |
| 9590 9402 3887 8060 8492 70  2 Article Number (Transfer from service label)  7017 3380 0000 0520 892   | S. Service Type Adult Signature Adult Signature Applit Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Bill Restricted Delivery 8 | □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Return Receipt for Merchandiae □ Signature Confirmation ™ □ Signature Confirmation Restricted Delivery   |
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| U.S. Postal Service  CERTIFIED MAIL® F  Domestic Mail Only  For delivery information, visit our w  Certified Mail Fee  Extra Services & Fees (check box, edd fee as approp  Return Receipt (elactronic)  Gestified Mail Respirited Delivery \$   | cbsite at www.usps.com*.   |  |

9416-0006

Adult Signature Restricted Dell
Postage

McCully-Chapman, Inc. P. O. Box 1389 Sealy, TX 77474-8502

7017 3380

#### Track Another Package +

Tracking Number: 70173380000043829524

Remove X

Your item was picked up at a postal facility at 7:35 am on June 26, 2018 in MIDLAND, TX 79701.

#### **⊘** Delivered U.S. Postal Service June 26, 2018 at 7:35 am CERTIFIED MAIL® RECEIPT Delivered, Individual Picked Up at Postal Facility MIDLAND, TX 79701 Get Updates ✓ 38 Text & Email Updates 9416-0006 **Tracking History** EOG A Resources, Inc. 5509 Champions Drive Midland, Texas 79706 Attention: Charles Moran **Product Information**

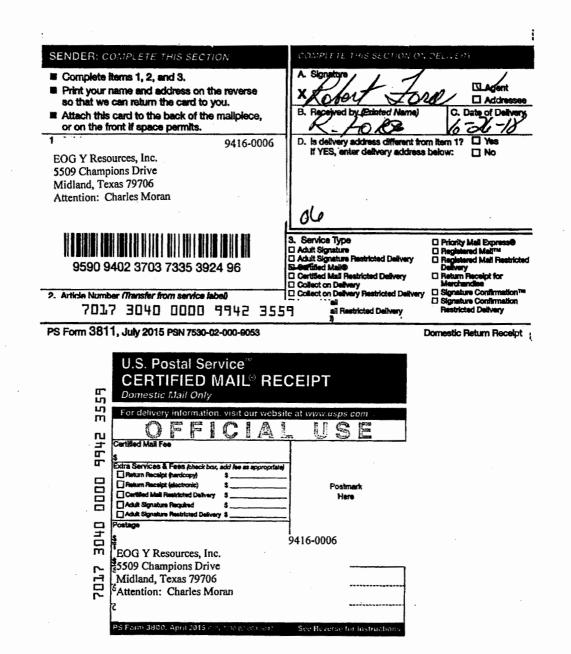
See Less ^

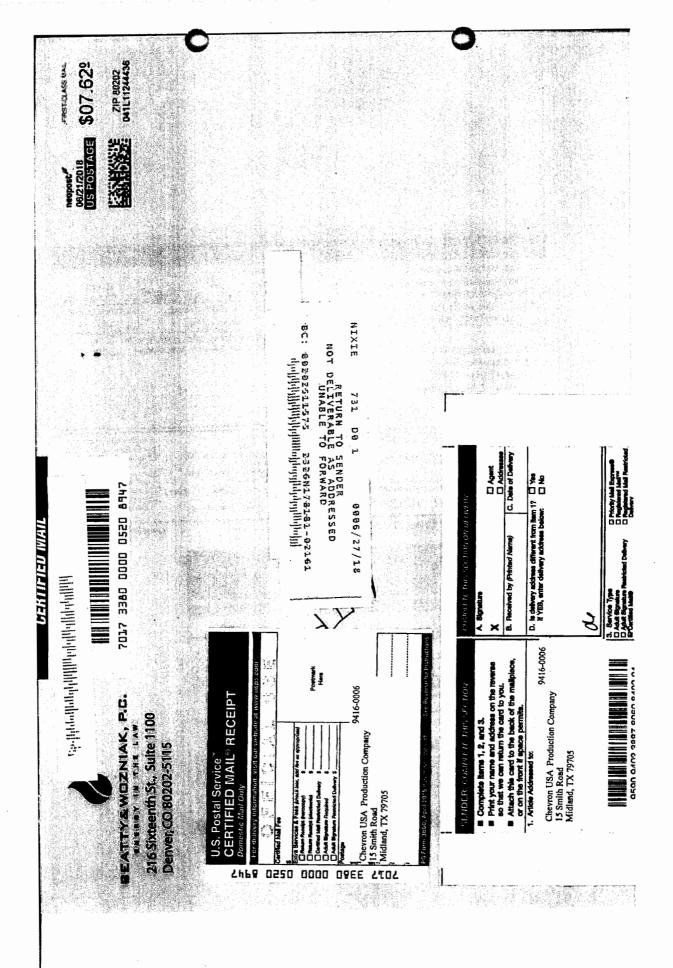
### Can't find what you're looking for?

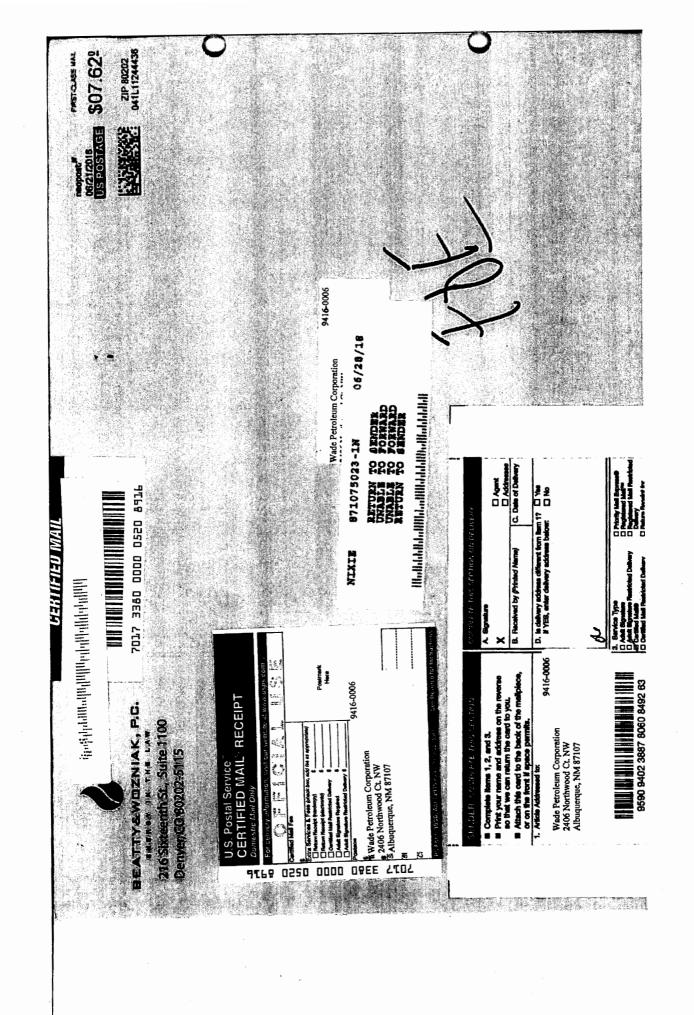
Go to our FAQs section to find answers to your tracking questions.

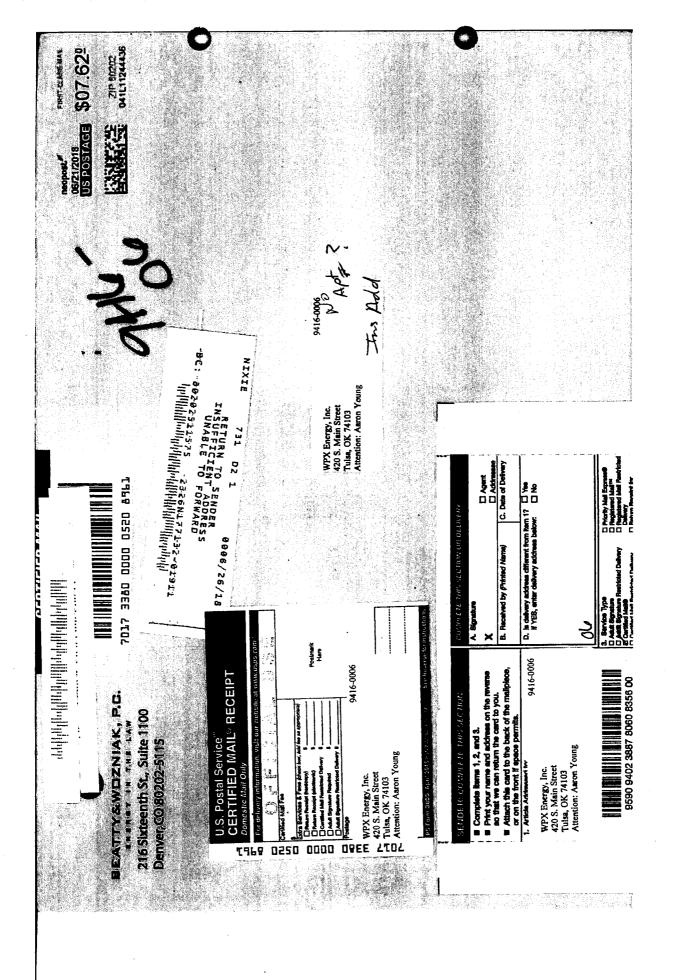
FAQs (http://faq.usps.com/?articleId=220900)

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|   | B. Received by (Philled Name)  D. Is delivery address different from If YES, enter delivery address of Adult Signature  Adult Signature Restricted Delivery  Certified Mail®  Certified Mail®  Certified Mail®  Certified Mail®  Insured Mail Restricted Delivery |







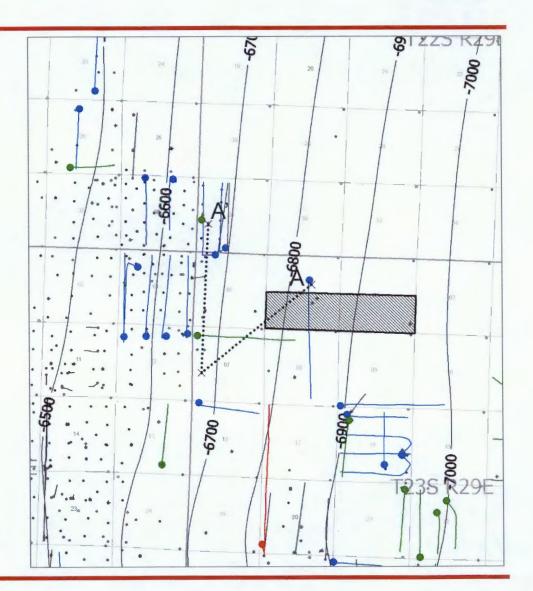


# Case: 16286

## **Exhibit:**



- Wolfcamp Subsea Structure
- C.I. = 100'
- Project Area
  - Wolfcamp Producer
  - Bone Spring Producer
    - Delaware Producer

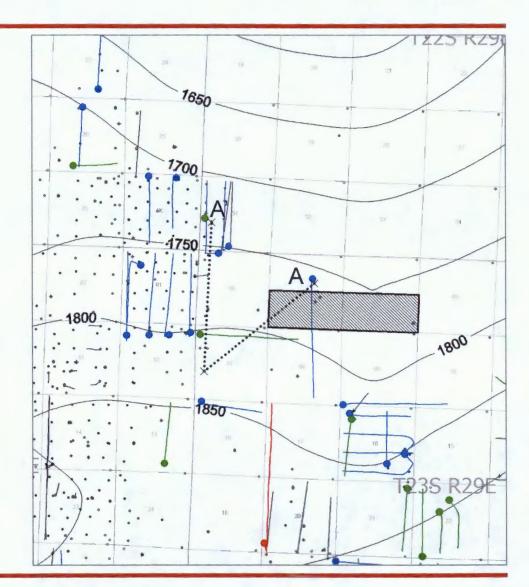


## Case: 16286

## **Exhibit:**



- Wolfcamp Isochore
- C.I. = 50'
- Project Area
  - Wolfcamp Producer
  - Bone Spring Producer
    - Delaware Producer



# Case: 16286

**Exhibit:** 



- Stratigraphic Cross-Section A A'
- Approximate Target Zones Shown by Red Arrows

