## NOVO EXHIBITS 23 – 28

CASE NOS. 21275 (de novo) & 21276 (de novo)

Exhibit 23: Application and proposed ad for case 20916

Exhibit 24: Application and proposed ad for case 20917

Exhibit 25: Division Order No. R-21252 (both cases)

Exhibit 26: Affidavit of Notice (both cases)

Exhibit 27: Pooling checklist (Case 21275)

Exhibit 28: Pooling checklist (Case 21276)

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC FOR COMPULSORY POOLING,

EDDY COUNTY, NEW MEXICO.

Case No. 20916

APPLICATION

Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral

interests in the Wolfcamp formation underlying a (proximity tract) horizontal spacing unit

comprised of the N/2 of Section 8 and the N/2 of Section 9, Township 23 South, Range 29 East,

N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

Applicant is an operator in the N/2 of Section 8 and the W/2 of Section 9, and has 1.

the right to drill a well or wells thereon.

Applicant proposes to drill the Astrodog Fed. Com. 0809 Well Nos. 211H, 212H, 2.

215H, 221H, 222H, 225H, 231H, 232H, and 235H to test the Wolfcamp formation, and dedicate

the N/2 of Section 8 and the N/2 of Section 9 to the wells. The wells have first take points in the

W/2NW/4 of Section 8 and last take points in the E/2NE/4 of Section 16.

Applicant has in good faith sought to obtain the voluntary joinder of all other

mineral interest owners in the N/2 of Section 8 and the N/2 of Section 9, for the purposes set

forth herein.

Although applicant attempted to obtain voluntary agreements from all mineral 4.

interest owners to participate in the drilling of the wells or to otherwise commit their interests to

the wells, certain interest owners have failed or refused to join in dedicating their interests.

Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp

Oil Conservation Commission

Case No. \_\_\_\_ Exhibit No.

formation underlying the N/2 of Section 8 and the N/2 of Section 9,, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Wolfcamp formation underlying the N/2 of Section 8 and the N/2 of Section 9, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying the N/2 of Section 8 and the N/2 of Section 9,;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling and completing the wells, and allocating the cost thereof among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

rught

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Novo Oil & Gas Northern Delaware, LLC

#### PROPOSED ADVERTISEMENT

Case No. 26916: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Bone Spring formation (from 8773 feet subsurface as found in the Road Lizard 5 Fed. Com. Well No. 2H [API No. 30-015-39283] to the base of the Bone Spring formation) underlying a (proximity tract) horizontal spacing unit comprised of the N/2 of Section 8 and the N/2 of Section 9, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Astrodog Fed. Com. 0809 Well Nos. 111H, 112H, 131H, 132H, and 135H, horizontal wells with first take points in the W/2NW/4 of Section 8 and last take points in the E/2NE/4 of Section 9. Also to be considered will be the cost of drilling and completing the wells 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 the risk involved in drilling and completing the wells. The unit is located approximately 6 miles northeast of Loving, New Mexico.

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC FOR COMPULSORY POOLING,

EDDY COUNTY, NEW MEXICO.

Case No. 209/7

APPLICATION

Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral

interests in the Bone Spring formation (from 8773 feet subsurface as found in the Road Lizard 5

Fed. Com. Well No. 2H [API No. 30-015-39283] to the base of the Bone Spring formation)

underlying a (proximity tract) horizontal spacing unit comprised of the N/2 of Section 8 and the

N/2 of Section 9, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico,

and in support thereof, states:

Applicant is an operator in the N/2 of Section 8 and the W/2 of Section 9, and has

the right to drill a well or wells thereon.

Applicant proposes to drill the Astrodog Fed. Com. 0809 Well Nos. 111H, 112H, 2.

131H, 132H, and 135H to test the Bone Spring formation, and dedicate the N/2 of Section 8 and

the N/2 of Section 9 to the wells. The wells have first take points in the W/2NW/4 of Section 8

and last take points in the E/2NE/4 of Section 16.

Applicant has in good faith sought to obtain the voluntary joinder of all other 3.

mineral interest owners in the N/2 of Section 8 and the N/2 of Section 9, for the purposes set

forth herein.

Although applicant attempted to obtain voluntary agreements from all mineral

interest owners to participate in the drilling of the wells or to otherwise commit their interests to

the wells, certain interest owners have failed or refused to join in dedicating their interests.

Oil Conservation Commission

Case No.

Exhibit No. 27

Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation, as set forth above, underlying the N/2 of Section 8 and the N/2 of Section 9,, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying the N/2 of Section 8 and the N/2 of Section 9, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Bone Spring formation underlying the N/2 of Section 8 and the N/2 of Section 9, as set forth above;
- B. Designating applicant as operator of the wells;
- C. Considering the cost of drilling and completing the wells, and allocating the cost thereof among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Novo Oil & Gas Northern Delaware, LLC

#### PROPOSED ADVERTISEMENT

Case No. 1991: Application of Novo Oil & Gas Northern Delaware, LLC for compulsory pooling, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC applies for an order pooling all mineral interests in the Wolfcamp formation underlying a (proximity tract) horizontal spacing unit comprised of the N/2 of Section 8 and the N/2 of Section 9, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Astrodog Fed. Com. 0809 Well Nos. 211H, 212H, 215H, 221H, 222H, 225H, 231H, 232H, and 235H, horizontal wells with first take points in the W/2NW/4 of Section 8 and last take points in the E/2NE/4 of Section 9. Also to be considered will be the cost of drilling and completing the wells 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 the risk involved in drilling and completing the wells. The unit is located approximately 6 miles northeast of Loving, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 20916 & 20917 ORDER NO. R-21252

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on November 15, 2019, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Novo") submitted Applications ("Applications") to compulsory pool the uncommitted oil and gas interests within the spacing units ("Units") described in Exhibits A and B. The Units are expected to be standard horizontal spacing units. 19.15.16.15(B) NMAC. Novo seeks to be designated the operator of the Units.
- 2. Novo will dedicate the wells described in Exhibits A and B ("Well(s)") to the Units.
- 3. Novo proposes the supervision and risk charges for the Wells described in Exhibits A and B.
- 4. Novo identified the owners of uncommitted interests in oil and gas minerals in the Units and provided evidence that notice was given.
- 5. The Applications were heard by the Hearing Examiner on the date specified above, during which Novo and BTA Oil Producers, LLC ("BTA") presented evidence through live witnesses regarding the Applications. No other party presented evidence at the hearing.
- 6. The Oil and Gas Act, NMSA 1978, §70-2-18(A), requires an operator to either obtain a voluntary agreement or an OCD order to dedicate lands to a spacing or proration unit:

Whenever the operator of any oil or gas well shall dedicate lands comprising a standard spacing or proration unit to an oil or gas well, it shall be the obligation of the operator, if two or more separately owned tracts of land are embraced within the spacing or proration unit, or where there are owners of royalty interests or undivided interests in oil or gas minerals which are separately owned or any combination thereof, embraced within such spacing or proration unit, to obtain voluntary agreements pooling said lands or interests or an order of the division pooling said lands, which agreement or order shall be effective from the first production.

Oil Conservation Commission

7. The Oil and Gas Act, NMSA 1978, §70-2-17(C), requires OCD to pool lands and interests to a spacing or proration unit when the owners of such lands cannot agree to pool their interests:

When two or more separately owned tracts of land are embraced within a spacing or proration unit [and] such owner or owners have not agreed to pool their interests, and where one such separate owner, or owners, who has the right to drill has drilled or proposes to drill a well on said unit to a common source of supply, the division, to avoid the drilling of unnecessary wells or to protect correlative rights, or to prevent waste, shall pool all or any part of such lands or interests or both in the spacing or proration unit as a unit.

8. OCD in Order No. R-14140 held:

In the absence of an agreement as to how production from the proposed horizontal well is to be divided between the lands within and without the defined contract area, the JOA does not constitute an agreement of the parties to pool their interests in such production, and accordingly does not preclude compulsory pooling under the terms of the first paragraph of NMSA 1978 Section 70-20-17(C).

- 9. A Joint Operating Agreement ("JOA"), originally executed on January 1, 1987, applies to 480 acres in the N/2 of Section 7 and the NW/4 of Section 8, Township 23 South, Range 29 East, Eddy County, NM.
- 10. BTA acquired a seventy-three (73) percent interest in the JOA in November 2018.
- 11. Novo is not a party to the JOA.
- 12. Novo send letters to mineral interest owners offering to allow separate election into each of the twelve (12) wells proposed in the Applications to pool the N/2 of Section 7 and the N/2 of Section 9, Township 23 South, Range 29 East.
- 13. Novo met with BTA to discuss a voluntary agreement.
- 14. Novo offered to trade BTA for its acreage covered by the JOA.
- 15. BTA did not accept Novo's offer and did not propose a counteroffer.
- 16. The Oil and Gas Act, NMSA 1978, §70-2-11(A), states that OCD "is hereby empowered, and it is its duty, to prevent waste prohibited by this act and to protect correlative rights, as in this act provided."

17. The Oil and Gas Act, NMSA 1978, §70-2-33(H), defines "correlative rights":

[T]he opportunity afforded, so far as it is practicable to do so, to the owner of each property in a pool to produce without waste the owner's just and equitable share of the oil or gas in the pool, being an amount, so far as can be practically determined and so far as can be practicably obtained without waste, substantially in the proportion that the quantity of recoverable oil or gas under the property bears to the total recoverable oil or gas in the pool, and for the purpose to use the owner's just and equitable share of the reservoir energy.

18. The Oil and Gas Act, NMSA 1978, §70-2-17(A), states:

The rules, regulations or orders of the division shall, so far as it is practicable to do so, afford to the owner of each property in a pool the opportunity to produce his just and equitable share of the oil or gas, or both, in the pool, being an amount, so far as can be practically determined, and so far as such can be practicably obtained without waste, substantially in the proportion that the quantity of the recoverable oil or gas, or both, under such property bears to the total recoverable oil or gas, or both, in the pool, and for this purpose to use his just and equitable share of the reservoir energy.

- 19. If OCD issues an order granting the Applications, BTA will be entitled to a just and equitable share of production from the wells authorized by the order.
- 20. The Oil and Gas Act, NMSA 1978, §70-2-11(A), requires OCD to prevent underground and surface waste.
- 21. The Oil and Gas Act, NMSA 1978, §70-2-3(A), defines "underground waste", *inter alia*, as "the locating, spacing, drilling, equipping, operating or producing, of any well or wells in a manner to reduce or tend to reduce the total quantity of crude petroleum oil or natural gas ultimately recovered from any pool...."
- 22. The Oil and Gas Act, NMSA 1978, §70-2-3(B), defines "surface waste", *inter alia*, as "the unnecessary or excessive surface loss or destruction without beneficial use, however caused... resulting from the manner of spacing, equipping, operating or producing, well or wells, or incident to or resulting from the use of inefficient storage..."
- 23. Novo has prepared a comprehensive development plan for the Wolfcamp and Third Bone Spring Formations.
- 24. Novo has obtained the U.S. Bureau of Land Management's ("BLM") approval for Novo's drilling island, and negotiated agreements with the potash and surface lessees and surface owner.

CASE NOS. 20916 & 20917 ORDER NO. R-21252

- 25. The Upper and Lower Wolfcamp and Third Bone Spring Formations are expected to be productive and suitable for production by horizontal drilling.
- 26. Novo intends to develop its wells to avoid the "parent-child effect", which results when the first wells drilled in a formation reduce the recoverable oil and gas in subsequently drilled wells.
- 27. Novo proposes to drill two (2) mile laterals, which are more efficient and less wasteful than 1.5. mile laterals.
- 28. Novo's development plan is supported by OXY USA, Inc., the only interest owner other than BTA, in the N/2 of Sections 8 and 9.
- 29. BTA has drilled one well and proposed either three (3) or four (4) additional wells in the Lower Wolfcamp Formation.
- 30. BLM has not approved BTA's development plan for the JOA acreage.
- 31. BTA cannot drill two (2) mile laterals unless it pools additional parties in Section 12.
- 32. BTA's development plan may result in the parent-child effect.
- 33. BTA's proposal that Novo drill from a different surface location and using a different orientation was rejected by the potash and surface lessees and surface owner.
- 34. If the Applications were denied, Novo would have to drill across a producing zone without perforation, resulting in waste and potential collision with BTA's proposed wells.

#### **CONCLUSIONS OF LAW**

- 35. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 36. Novo is the owner of an oil and gas working interest within the Units.
- 37. Novo satisfied the notice requirements for the Applications and the hearing as required by 19.15.4.12 NMAC.
- 38. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 39. Novo has the right to drill the Wells to a common source of supply at the depth(s) and location(s) in the Units described in Exhibits A and B.
- 40. The Units contain separately owned uncommitted interests in oil and gas minerals.

- 41. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Units.
- 42. The pooling of uncommitted interests in the Units will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 43. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.
- 44. Novo was not obligated to negotiate a voluntary agreement with BTA.
- 45. Novo made a good faith effort to negotiate a voluntary agreement with BTA.
- 46. OCD may issue a compulsory pooling order to Novo that include BTA's JOA acreage.
- 47. OCD's decision to issue a compulsory pooling order to Novo does not violate New Mexico's policy regarding voluntary agreements.
- 48. OCD does not consider the "reasonable expectations" of parties when reviewing an application for a compulsory pooling order.
- 49. BTA's correlative rights will be protected by OCD's orders granting Novo's compulsory pooling application because BTA is entitled to a just and equitable share of production from the pool, not the right to be an operator or to drill a well.
- 50. The Applications will result in less surface and underground waste than BTA's plan.

#### **ORDER**

- 51. The uncommitted interests in the Units are pooled as set forth in Exhibits A and B.
- 52. The Units shall be dedicated to the Wells set forth in Exhibits A and B.
- 53. Novo is designated as operator of the Units and the Wells.
- 54. If the location of a Well will be unorthodox under the spacing rules in effect at the time of completion, Novo shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 55. Novo shall commence drilling the Wells within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 56. This Order shall terminate automatically if Novo fails to comply with Paragraph 55 unless Novo obtains an extension by an amendment of this Order for good cause shown.

- 57. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 58. Novo shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 59. No later than thirty (30) days after Novo submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Novo no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 60. No later than one hundred eighty (180) days after Novo submits a Form C-105 for a well, Novo shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 61. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Novo its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Novo shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 62. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibits A and B, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 63. No later than within ninety (90) days after Novo submits a Form C-105 for a well, Novo shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled

- Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 64. Novo may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 65. Novo may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibits A and B.
- 66. Novo shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 65 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 67. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Novo shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 68. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 69. Except as provided above, Novo shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 70. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Novo shall inform OCD no later than thirty (30) days after such occurrence.
- 71. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

CASE NOS. 20916 & 20917 ORDER NO. R-21252

## STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

Date: \_\_\_\_4/13/2020

#### Exhibit "A" Case 20916

Applicant: Novo Oil & Gas Northern Delaware, LLC

Operator: Novo Oil & Gas Northern Delaware, LLC (OGRID 372920)

Spacing Unit: <u>Horizontal Gas</u>
Building Blocks: <u>Half sections</u>

Spacing Unit Size: 640 acres, more or less

Orientation of Unit: West to East

Spacing Unit Description:

N/2 of Section 8 and 9, Township 23 South, Range 28 East; and

NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Wolfcamp Formation

Depth Severance? (Yes/No): No

Pool: Purple Sage; Wolfcamp (Pool code 98220)

Pool Spacing Unit Size: <u>Half Sections</u>

Governing Well Setbacks: Special Rules for the Purple Sage Gas Pool Apply

Pool Rules: <u>Purple Sage and Horizontal Well Rules</u>

Proximity Tracts: Yes, The Astrodog Federal Com 0809 212H is located closer

than 330 feet from the adjoining tract.

Monthly charge for supervision: While drilling: \$8000, While producing: \$800 As the charge for risk, 200 percent of reasonable well costs

#### **Proposed Wells:**

#### Astrodog Federal Com 0809 211H

SHL: 933 feet from the North line and 210 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 330 feet from the North line and 130 feet from the East line (Unit A) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 9888 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 212H

SHL: 951 feet from the North line and 219 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 1122 feet from the North line and 130 feet from the East line (Unit A) of Section 9, Township 23 South, Range 29 East, NMPM

CASE NOS. 20916 & 20917 ORDER NO. R-21252 Completion Target: Wolfcamp at approx. 9890 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 215H

SHL: 1545 feet from the North line and 200 feet from the West line (Unit E) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 1914 feet from the North line and 130 feet from the East line (Unit H) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 9892 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 221H

SHL: 969 feet from the North line and 228 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 726 feet from the North line and 130 feet from the East line (Unit A) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 10108 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 222H

SHL: 987 feet from the North line and 236 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 1518 feet from the North line and 130 feet from the East line (Unit H) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 10108 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 225H

SHL: 1565 feet from the North line and 200 feet from the West line (Unit E) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 2310 feet from the North line and 130 feet from the East line (Unit H) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 10108 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 231H

SHL: 861 feet from the North line and 174 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 330 feet from the North line and 130 feet from the East line (Unit A) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 10728 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 232H

SHL: 879 feet from the North line and 183 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 1254 feet from the North line and 130 feet from the East line (Unit A) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 10738 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 235H

SHL: 1880 feet from the North line and 200 feet from the West line (Unit E) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 2178 feet from the North line and 130 feet from the East line (Unit H) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Wolfcamp at approx. 10748 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Exhibit "B"Case 20917

Applicant:

Novo Oil & Gas Northern Delaware, LLC

Operator:

Novo Oil & Gas Northern Delaware, LLC (OGRID 372920)

Spacing Unit:

Horizontal oil

Building Blocks: Spacing Unit Size: quarter-quarter sections 640 acres, more or less

Orientation of Unit:

West to East

Spacing Unit Description:

N/2 of Section 8 and 9, Township 23 South, Range 29 East; and

NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation from 8773 feet subsurface to the

base of the Bone Spring Formation

Depth Severance? (Yes/No): Yes, from 8773 feet subsurface as found in the Road Lizard

5 Fed Com Well No. 2H [API: 30-015-39283]

Pool:

Culebra Bluff, South Bone Spring (Pool code 15011)

Pool Spacing Unit Size:

**Quarter-Quarter Sections** Horizontal Oil Well Rules

Governing Well Setbacks: Pool Rules:

Latest Horizontal Rules Apply

**Proximity Tracts:** 

Yes, The Astrodog Federal Com 0809 212H is located closer

than 330 feet from the adjoining tract.

Monthly charge for supervision: While drilling: \$8000, While producing: \$800 As the charge for risk, 200 percent of reasonable well costs

#### **Proposed Wells:**

#### Astrodog Federal Com 0809 131H

SHL: 897 feet from the North line and 192 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 726 feet from the North line and 10 feet from the East line (Unit A) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Third Bone Spring at approx. 9743 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 132H

SHL: 915 feet from the North line and 201 feet from the West line (Unit D) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 1518 feet from the North line and 10 feet from the East line

(Unit H) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Third Bone Spring at approx. 9743 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

#### Astrodog Federal Com 0809 135H

SHL: 1900 feet from the North line and 200 feet from the West line (Unit E) of Section 8, Township 23 South, Range 29 East, NMPM BHL: 2310 feet from the North line and 10 feet from the East line (Unit H) of Section 9, Township 23 South, Range 29 East, NMPM

Completion Target: Third Bone Spring at approx. 9748 feet TVD

Well Orientation: West to East

Completion Location expected to be: standard

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

APPLICATIONS OF NOVO OIL & GAS NORTHERN DELAWARE LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 20916 and 20917

## SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF	
STATE OF N	EW MEXICO )
James	Bruce 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 Northern Delaware, LLC.
3. effort to find the application	Novo Oil & Gas Northern Delaware, LLC has conducted a good faith, diligent the names and correct addresses of the interest owners entitled to receive notice of filed herein.
4. the application the notice lette	Novo Oil & Gas Northern Delaware, LLC directed its counsel to give notice of to the interest owners, at their last known addresses, by certified mail. Copies of and certified return receipts are marked as Attachment A.
5.	Applicant has complied with the notice provisions of Division Rules.
made under pe	I understand that this Self-Affirmed Statement will be used as written testimony affirm that my testimony in paragraphs 1 through 5 above is true and correct and is nalty of perjury under the laws of the State of New Mexico. My testimony is made andwritten next to my signature below.
Date:///1	James Bruce  James Bruce

Oil Conservation Commission

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

October 24, 2019

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following compulsory pooling applications filed with the New Mexico Oil Conservation Division by Novo Oil & Gas Northern Delaware, LLC:

- 1. Case No. 20916, for nine Wolfcamp wells in the N/2 of Section 8 and the N/2 of Section 9, Township 23 South, Range 29 East, N.M.P.M.; and
- 2. Case No. 20917, for five Bone Spring wells in the N/2 of Section 8 and the N/2 of Section 9, Township 26 South, Range 27 East, N.M.P.M.,

in Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, November 14, 2019, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, October 7, 2019. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.



Verytruly yours,

James Bruce

Attorney for Novo Oil & Gas Northern Delaware, LLC

### **EXHIBIT A**

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

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

U.S. Postal Service"  CERTIFIED MAIL® RECENTY  Pomestic Mail Only For delivery information, visit our website at www.usps.com*.	9)(4)	Total Postage and Fees   Street   Street and Apt. No. of P   Midland, TX 79701   City, State, ZiP+4*   City,	
A. Signature  A. Signature  A. Signature  A. Signature  A. Signature  C. Date of Delivery	D. Is delivery address different from texton of the life of the li	3. Service Type  Adult Signature Restricted Delivery  Ex-Certified Mail® Restricted Delivery  Collect on Delivery  Collect on Delivery  Collect on Delivery  Hicted Delivery  Signature Confirmation  Hicted Delivery  Restricted Delivery  Restricted Delivery  Signature Confirmation  Hicted Delivery  Restricted Delivery  Restricted Delivery  Annews 2001	A A COMMISSION DESIGNATION OF A COMMISSION OF
SENDER: COMPLETE THIS SECTION  Complete items 1, 2, and 3.  Point 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.	Article Addressed to:  OXY Y-1 Company S Greenway Plaza, Suite 110 Houston, TX 77046	8	PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON THE INFORM	A SIGNATURE SECTION ON DELIVERY	A. Signature	X Agent	Chung In I I Addressee	B. Hadeived by (Printed Name) C. Date of Delivery	100/c Mchan 11/1/19	D. Iş delivery address different from item 1? ' Yes	If YES, enter delivery address below:							3. Service Type	Restricted Delivery			Collect of Delivery  Collect on Delivery Restricted Delivery California Signature Confirmation N	5 4 4 7 Cred Delivery Restricted Delivery		NO AD Domestic Return Receipt
SENDER: COMPLETE THIS SECTION		Complete fems 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. Article Addressed to:		BTA Oil Producers 11 C	104 C Darce Creat	104 S. Fecus Silver	Wildiand, 1A 19701					9590 9402 4582 8278 5878 60		2. Atticla Number Transfer form coming labors	5424 LOOD 0F0E 8LOS		PS Form 3811, July 2015 PSN 7530-02-000-9053
E Charles Service			Domestic Mail Only	For delivery information siets	Williamore, Visit our Website at WWW.usps.co		Certified Mail Fee	Extra Sponinge & Food Chart	Return Receipt (Pardcopy) S	Return Receipt (electronic) S	alivery \$		Adult Signature Festricted Delivery S	Postage	\$ Iotal Postage and Fees		Sent To OXY Y-1 Company	Street and Apt No. or pt. 5 Greenway Plaza, Suite 110	Houston, TX 77046	Oity, Stale, 21P+4*	PS Form 3800 days Jose new services as as as	See Heverse for Instructions

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## **COMPULSORY POOLING APPLICATION CHECKLIST**

Case:	Commission Case No. 21275 (de novo)						
Date	August 13, 2020						
Applicant	Novo Oil & Gas Northern Delaware, LLC						
Designated Operator & OGRID							
(affiliation if applicable)	Novo Oil & Gas Northern Delaware, LLC /OGRID No. 372920						
Applicant's Counsel:	James Bruce						
Case Title:	Application of Novo Oil & Gas Northern Delaware, LLC for Compulsor						
	Pooling, Eddy County, New Mexico						
Entries of Appearance/Intervenors:	OXY Y-1 Company/Holland & Hart LLP, and BTA Oil Producers/Hinkle Shanor LLP						
Well Family	Astrodog Fed. Com. 0809 Wolfcamp wells						
Formation/Pool							
Formation Name(s) or Vertical Extent:	Wolfcamp Formation						
Primary Product (Oil or Gas):	Gas						
Pooling this vertical extent:	Entire Wolfcamp formation						
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas)/Pool Code 98220						
Well Location Setback Rules:	Purple Sage pool rules and current horizontal well rules						
Spacing Unit Size:	Half Sections/320 acres						
Spacing Unit							
Type (Horizontal/Vertical)	Horizontal						
Size (Acres)	640 acres						
Building Blocks:	320 acres						
Orientation:	West-East						
Description: TRS/County	N/2 §8 and N/2 §9-223-29E, NMPM, Eddy County						
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes						
Other Situations							
Depth Severance: Y/N. If yes, description	No						
Proximity Tracts: If yes, description	Astrodog Fed. Com. 0809 Well No. 212H						
Proximity Defining Well: if yes, description							
Applicant's Ownership in Each Tract	Exhibit 4						
Well(s)							
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Astrodog Fed. Com. 0809 Well No. 211H  API No. 30-015-Pending  SHL: 933 FNL & 210 FWL §8  BHL: 330 FNL & 130 FEL §9  FTP: 330 FNL & 330 FWL §8  LTP: 330 FNL & 330 FEL §9  Wolfcamp/TVD 9888 feet/MD 19888 feet						

Astrodog Fed. Com. 0809 Well No. 212H

API No. 30-015-Pending SHL: 51 FNL & 219 FWL §8 BHL: 1122 FNL & 130 FEL §9 FTP: 1122 FNL & 330 FWL §8 LTP: 1122 FNL & 330 FEL §9

Wolfcamp/TVD 9890 feet/MD 19890 feet

Astrodog Fed. Com. 0809 Well No. 215H

API No. 30-015-Pending SHL: 1545 FNL & 200 FWL §8 BHL: 1914 FNL & 130 FEL §9 FTP: 1914 FNL & 330 FWL §8 LTP: 1914 FNL & 330 FEL §9

Wolfcamp/TVD 9892 feet/MD 19892 feet

Astrodog Fed. Com. 0809 Well No. 221H

API No. 30-015-Pending SHL: 969 FNL & 228 FWL §8 BHL: 726 FNL & 130 FEL §9 FTP: 726 FNL & 330 FWL §8 LTP: 726 FNL & 330 FEL §9

Wolfcamp/TVD 10108 feet/MD 20108 feet

Astrodog Fed. Com. 0809 Well No. 222H

API No. 30-015-Pending SHL: 987 FNL & 236 FWL §8 BHL: 1518 FNL & 130 FEL §9 FTP: 1518 FNL & 330 FWL §8 LTP: 1518 FNL & 330 FEL §9

Wolfcamp/TVD 10108 feet/MD 20108 feet

Astrodog Fed. Com. 0809 Well No. 225H

API No. 30-015-Pending SHL: 1565 FNL & 236 FWL §8 BHL: 2310 FNL & 130 FEL §9 FTP: 2310 FNL & 330 FWL §8 LTP: 2310 FNL & 330 FEL §9

Wolfcamp/TVD 10108 feet/MD 201088 feet

Astrodog Fed. Com. 0809 Well No. 231H

API No. 30-015-Pending SHL: 861 FNL & 174 FWL §8 BHL: 330 FNL & 130 FEL §9 FTP: 330 FNL & 330 FWL §8 LTP: 330 FNL & 330 FEL §9

Wolfcamp/TVD 10738 feet/MD 20728 feet

Astrodog Fed. Com. 0809 Well No. 232H API No. 30-015-Pending SHL: 879 FNL & 183 FWL §8 BHL: 1254 FNL & 130 FEL §9 FTP: 1254 FNL & 330 FWL §8 LTP: 1254 FNL & 330 FEL §9 Wolfcamp/TVD 10738 feet/MD 20738 feet  Astrodog Fed. Com. 0809 Well No. 235H API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet  See above
SHL: 879 FNL & 183 FWL §8 BHL: 1254 FNL & 130 FEL §9 FTP: 1254 FNL & 330 FWL §8 LTP: 1254 FNL & 330 FEL §9 Wolfcamp/TVD 10738 feet/MD 20738 feet  Astrodog Fed. Com. 0809 Well No. 235H API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet  See above
BHL: 1254 FNL & 130 FEL §9 FTP: 1254 FNL & 330 FWL §8 LTP: 1254 FNL & 330 FEL §9 Wolfcamp/TVD 10738 feet/MD 20738 feet  Astrodog Fed. Com. 0809 Well No. 235H API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet
FTP: 1254 FNL & 330 FWL §8 LTP: 1254 FNL & 330 FEL §9 Wolfcamp/TVD 10738 feet/MD 20738 feet  Astrodog Fed. Com. 0809 Well No. 235H API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet  See above
LTP: 1254 FNL & 330 FEL §9  Wolfcamp/TVD 10738 feet/MD 20738 feet  Astrodog Fed. Com. 0809 Well No. 235H  API No. 30-015-Pending  SHL: 1880 FNL & 200 FWL §8  BHL: 2178 FNL & 130 FEL §9  FTP: 2178 FNL & 330 FWL §8  LTP: 2178 FNL & 330 FEL §9  Wolfcamp/TVD 10748 feet/MD 20748 feet  See above
Wolfcamp/TVD 10738 feet/MD 20738 feet  Astrodog Fed. Com. 0809 Well No. 235H  API No. 30-015-Pending  SHL: 1880 FNL & 200 FWL §8  BHL: 2178 FNL & 130 FEL §9  FTP: 2178 FNL & 330 FWL §8  LTP: 2178 FNL & 330 FEL §9  Wolfcamp/TVD 10748 feet/MD 20748 feet  See above
Astrodog Fed. Com. 0809 Well No. 235H API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet See above
API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet See above
API No. 30-015-Pending SHL: 1880 FNL & 200 FWL §8 BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet See above
BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet See above
BHL: 2178 FNL & 130 FEL §9 FTP: 2178 FNL & 330 FWL §8 LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet See above
LTP: 2178 FNL & 330 FEL §9 Wolfcamp/TVD 10748 feet/MD 20748 feet See above
Wolfcamp/TVD 10748 feet/MD 20748 feet See above
See above
See above
\$8000
\$800
Landman's Testimony
Cost + 200%/Landman's Testimony
Exhibit 23
Exhibit 26
Unnecessary
Exhibit 4
Exhibit 4
Exhibit 4
Not applicable
None
Exhibit 2
Exhibit 4
Exhibits 2 and 9/Landman's testimony
Exhibit 3
Exhibit 3
E E E

Cost Estimate for Production Facilities	Exhibit 3
Geology	
Summary (including special	
considerations)	Geologist's Testimony/Exhibit 10
Spacing Unit Schematic	Exhibit 10
Gunbarrel/Lateral Trajectory Schematic	Exhibits 10 and 11
Well Orientation (with rationale)	Laydown/Exhibit 10 and Geologist's Testimony
Target Formation	Wolfcamp
HSU Cross Section	Exhibit 10
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit 1
Tracts	Exhibit 4
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit 4
General Location Map (including basin)	Exhibit 10
Well Bore Location Map	Exhibit1
Structure Contour Map - Subsea Depth	Exhibit 10
Cross Section Location Map (including	
wells)	Exhibit 10
Cross Section (including Landing Zone)	Exhibit 10
Additional Information	
CERTIFICATION: I hereby certify that the	是世界的社会是在12世界的最高的是一个是一种的主义的。 1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1980年,1
information provided in this checklist is	
complete and accurate.	
Printed Name (Attorney or Party	1
Representative):	James Bruce
Signed Name (Attorney or Party	( all and )
Representative):	James Orne
Date:	August 6, 2020

## **COMPULSORY POOLING APPLICATION CHECKLIST**

### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case:	21276 (de novo)						
Date	August 13, 2020						
Applicant	Novo Oil & Gas Northern Delaware, LLC						
Designated Operator & OGRID							
(affiliation if applicable)	Novo Oil & Gas Northern Delaware, LLC /OGRID No. 372920						
Applicant's Counsel:	James Bruce						
Case Title:	Application of Novo Oil & Gas Northern Delaware, LLC for Compulsory Pooling, Eddy County, New Mexico						
Entries of Appearance/Intervenors:							
Well Family	Astrodog Fed. Com. 0809 Bone Spring wells						
Formation/Pool	Production of the control of the con						
Formation Name(s) or Vertical Extent:	Bone Spring Formation						
Primary Product (Oil or Gas):	Oil						
Pooling this vertical extent:	From 8773 feet subsurface to the base of the Third Bone Spring Sand						
Pool Name and Pool Code:	Culebra Bluff; Bone Spring, South/Pool Code 15011						
Well Location Setback Rules:	Statewide rules and current horizontal well rules						
Spacing Unit Size:	Quarter-quarter sections/40 acres						
Spacing Unit							
Type (Horizontal/Vertical)	Horizontal						
Size (Acres)	640 acres						
Building Blocks:	Quarter-quarter sections/40 acres						
Orientation:	West-East						
Description: TRS/County	N/2 §8 and N/2 §9-23S-29E, NMPM, Eddy County						
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes						
Other Situations							
Depth Severance: Y/N. If yes, description	Yes. See above, and pooling application						
Proximity Tracts: If yes, description	Yes. Astrodog Fed. Com. 0809 Well No. 132H						
Proximity Defining Well: if yes, description							
Applicant's Ownership in Each Tract	Exhibit 15						
Well(s)							
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	Astrodog Fed. Com. 0809 Well No. 131H  API No. 30-015-Pending  SHL: 897 FNL & 192 FWL §8  BHL: 726 FNL & 10 FEL §9  FTP: 726 FNL & 100 FWL §8  LTP: 726 FNL & 100 FEL §9  Bone Spring/TVD 9743 feet/MD 19743 feet						

	Astrodog Fed. Com. 0809 Well No. 132H API No. 30-015-Pending SHL: 915 FNL & 201 FWL §8 BHL: 1518 FNL & 10 FEL §9 FTP: 1518 FNL & 100 FWL §8 LTP: 1518 FNL & 100 FEL §9 Bone Spring/TVD 9743 feet/MD 19743 feet
	Astrodog Fed. Com. 0809 Well No. 135H API No. 30-015-Pending SHL: 1900 FNL & 200 FWL §8 BHL: 2310 FNL & 10 FEL §9 FTP: 2310 FNL & 100 FWL §8 LTP: 2310 FNL & 100 FEL §9 Bone Spring/TVD 9748 feet/MD 19748 feet
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Landman's Testimony
Requested Risk Charge	Cost + 200%/Landman's Testimony
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 23
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit 26
Proof of Published Notice of Hearing (10	
days before hearing)	Unnecessary
Ownership Determination	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)
Land Ownership Schematic of the Spacing Unit	5.100.45
	Exhibit 15
Tract List (including lease numbers and owners)	Exhibit 15
Pooled Parties (including ownership	EXHIBIT 15
type)	Exhibit 15
Unlocatable Parties to be Pooled	Not applicable
Ownership Depth Severance (including	1100 applicable
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit 13
List of Interest Owners ( <i>i.e.</i> Exhibit A of JOA)	Exhibit 15
Chronology of Contact with Non-Joined Working Interests	Exhibits 13 and 20/Landman's Testimony
Overhead Rates In Proposal Letter	1
Cost Estimate to Drill and Complete	Exhibit 14
Cost Estimate to Equip Well	Exhibit 14

Cost Estimate for Production Facilities	Exhibit 14
Geology	<b>建设建设设施的设施。</b>
Summary (including special	
considerations)	Geologist's Testimony/Exhibit 21
Spacing Unit Schematic	Exhibit 21
Gunbarrel/Lateral Trajectory Schematic	Exhibits 21 and 22
Well Orientation (with rationale)	Laydown/Exhibit 21 and Geologist's Testimony
Target Formation	Bone Spring
HSU Cross Section	Exhibit 21
Depth Severance Discussion	Application and Landman's Testimony
Forms, Figures and Tables	
C-102	Exhibit 12
Tracts	Exhibit 15
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit 15
General Location Map (including basin)	Exhibit 21
Well Bore Location Map	Exhibit 12
Structure Contour Map - Subsea Depth	Exhibit 21
Cross Section Location Map (including	
wells)	Exhibit 21
Cross Section (including Landing Zone)	Exhibit 21
Additional Information	
CERTIFICATION: I hereby certify that the	
information provided in this checklist is	
complete and accurate.	在1967年上,1967年1978年1978年1978年1978年1978年1978年1978年197
Printed Name (Attorney or Party	
Representative):	James Bruce
Signed Name (Attorney or Party	11 211010
Representative):	James Mill
Date:	April 13, 2020