

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING DECEMBER 3, 2020**

CASE NOS. 21549 & 21550

*OVATION FED COM 1318 131-132H WELLS
OVATION FED COM 1318 135H WELL
OVATION FED COM 1318 211H-212H WELLS
OVATION FED COM 1318 215H WELL
OVATION FED COM 1318 221H-222H WELLS
OVATION FED COM 1318 225H WELL
OVATION FED COM 1318 231H-232H WELLS
OVATION FED COM 1318 235H WELL*

EDDY COUNTY, NEW MEXICO



NOVO

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21092,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21549

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21093,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21550

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COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21549	APPLICANT'S RESPONSE
Date December 3, 2020	
Applicant	Novo Oil & Gas Northern Delaware, LLC
Designated Operator & OGRID (affiliation if applicable)	372920
Applicant's Counsel:	Holland & Hart, LLP
Case Title	Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21092, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Ovation Fed Com 1318 wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Culebra Bluff; Bone Spring, South (Pool code 15011)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	635.4-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	635.4-acres, more or less
Building Blocks:	Quarter-Quarter sections
Orientation:	West/East
Description: TRS/County	N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
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	Yes
Proximity Defining Well: if yes, description <div style="text-align: center;"> <p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Novo Oil & Gas Northern Delaware LLC Hearing Date: December 3, 2020 Case Nos. 21549-21550</p> </div>	Ovation Fed Com 1318 #132H Well will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18
Applicant's Ownership in Each Tract	Exhibit C-3

Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p>Ovation Federal Com 1318 well #131H (API No. 30-015-Pending) SHL:798 feet from the North line and 365 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:726 feet from the North line and 10 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Bone Spring Well Orientation:West to East Completion Location expected to be:standard</p>
Well #2	<p>Ovation Federal Com 1318 well #132H (API No. 30-015-Pending) SHL:833 feet from the North line and 345 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1518 feet from the North line and 10 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Bone Spring Well Orientation:West to East Completion Location expected to be:proximity tract well</p>
Well #3	<p>Ovation Federal Com 1318 well #135H (API No. 30-015-Pending) SHL:1427 feet from the North line and 501 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:2310 feet from the North line and 10 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Bone Spring Well Orientation:West to East Completion Location expected to be:standard</p>
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-6, D-1, D-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	

Land Ownership Schematic of the Spacing Unit	Exhibits C-3, C-4, C-5
Tract List (including lease numbers and owners)	Exhibits C-3, C-4, C-5
Pooled Parties (including ownership type)	Exhibits C-3, C-4, C-5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-3, C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7
Overhead Rates In Proposal Letter	Exhibit C-6
Cost Estimate to Drill and Complete	Exhibit C-6
Cost Estimate to Equip Well	Exhibit C-6
Cost Estimate for Production Facilities	Exhibit C-6
Geology	
Summary (including special considerations)	Exhibits D, D-1
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibits D, D-1
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-6
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibits C-3, C-4, C-5
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3, C-4, C-5
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-6
Cross Section (including Landing Zone)	Exhibit D-6
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21550	APPLICANT'S RESPONSE
Date December 3, 2020	
Applicant	Novo Oil & Gas Northern Delaware, LLC
Designated Operator & OGRID (affiliation if applicable)	372920
Applicant's Counsel:	Holland & Hart, LLP
Case Title	Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21093, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Ovation Fed Com 1318 wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Names and Pool Codes:	Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	640-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres, more or less
Building Blocks:	Half sections
Orientation:	West/East
Description: TRS/County	N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico
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	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p>Ovation Federal Com 1318 well #211H (API No. 30-015-Pending) SHL:780 feet from the North line and 375 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:330 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>

Well #2	<p>Ovation Federal Com 1318 well #212H (API No. 30-015-Pending) SHL:833 feet from the North line and 345 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1122 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #3	<p>Ovation Federal Com 1318 well #215H (API No. 30-015-Pending) SHL:1393 feet from the North line and 521 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1914 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #4	<p>Ovation Federal Com 1318 well #221H (API No. 30-015-Pending) SHL:815 feet from the North line and 355 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:726 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #5	<p>Ovation Federal Com 1318 well #222H (API No. 30-015-Pending) SHL:850 feet from the North line and 336 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1518 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #6	<p>Ovation Federal Com 1318 well #225H (API No. 30-015-Pending) SHL:1410 feet from the North line and 511 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:2310 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #7	<p>Ovation Federal Com 1318 well #231H (API No. 30-015-Pending) SHL:710 feet from the North line and 415 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:330 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #8	<p>Ovation Federal Com 1318 well #232H (API No. 30-015-Pending) SHL:744 feet from the North line and 395 feet from the East line, (Unit A) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1122 feet from the North line and 130 feet from the East line, (Unit A) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Well #9	<p>Ovation Federal Com 1318 well #235H (API No. 30-015-Pending) SHL:1523 feet from the North line and 733 feet from the East line, (Unit H) of Section 14, Township 23 South, Range 28 East, NMPM. BHL:1914 feet from the North line and 130 feet from the East line, (Unit H) of Section 18, Township 23 South, Range 29 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation:West to East Completion Location expected to be:standard</p>
Horizontal Well First and Last Take Points	Exhibit C-2

Completion Target (Formation, TVD and MD)	Exhibit C-6, D-1, D-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, C-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibits C-3, C-4, C-5
Tract List (including lease numbers and owners)	Exhibits C-3, C-4, C-5
Pooled Parties (including ownership type)	Exhibits C-3, C-4, C-5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-3, C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7
Overhead Rates In Proposal Letter	Exhibit C-6
Cost Estimate to Drill and Complete	Exhibit C-6
Cost Estimate to Equip Well	Exhibit C-6
Cost Estimate for Production Facilities	Exhibit C-6
Geology	
Summary (including special considerations)	Exhibits D, D-1
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibits D, D-1
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-6
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibits C-3, C-4, C-5
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3, C-4, C-5
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibits D-3, D-4, D-5
Cross Section Location Map (including wells)	Exhibit D-6
Cross Section (including Landing Zone)	Exhibit D-6
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE, LLC
TO AMEND ORDER R-21092,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21549

APPLICATION

Novo Oil & Gas Northern Delaware, LLC (“Novo” or “Applicant”) (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to amend Order R-21092 for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of its application, Novo states:

1. Order R-21092, entered on February 12, 2020, in Case No. 20886, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the “Unit”), designated Applicant as the operator of the Unit, pooled the uncommitted interests in the Bone Spring formation [Culebra Bluff; Bone Spring Pool (15011)] in the Unit, and dedicated the Unit to the proposed initial wells.

2. Since the entry of Order R-21092, Applicant has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard horizontal spacing unit to allow for the drilling of 2-mile wells.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. B

Submitted by: **Novo Oil & Gas Northern Delaware LLC**

Hearing Date: December 3, 2020

Case Nos. 21549-21550

3. As provided in Order R-21092, Applicant seeks to dedicate the above-referenced horizontal spacing unit to these proposed initial wells:

- The **Ovation Fed Com 1318 #131H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18;
- The **Ovation Fed Com 1318 #132H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
- The **Ovation Fed Com 1318 #135H Well** to be horizontally drilled from a surface location in the E/2 NE/4 of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18.

3. The completed interval for the **Ovation Fed Com 1318 #132H Well** will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject enlarged standard spacing unit.

5. Approval of this application is in the best interest of conservation, the prevention of waste and protection of correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this enlarged horizontal spacing unit should be pooled, and Applicant should be designated the operator of this proposed enlarged standard horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

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**ATTORNEYS FOR NOVO OIL & GAS NORTHERN
DELAWARE LLC**

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21093,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21550

APPLICATION

Novo Oil & Gas Northern Delaware, LLC (“Novo” or “Applicant”) (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, to amend Order R-21093 for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. In support of its application, Novo states:

1. Order R-21093, entered on February 12, 2020, in Case No. 20887, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the “Unit”), designated Applicant as the operator of the Unit, pooled the uncommitted interests in the Wolfcamp formation [Purple Sage; Wolfcamp (Gas) Pool (98220)] in the Unit, and dedicated the Unit to the proposed initial wells.

2. Since the entry of Order R-21093, Applicant has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard spacing unit to allow for the drilling of 2-mile horizontal wells.

3. As provided in Order R-21093, Applicant seeks to dedicate this horizontal spacing unit to these proposed initial wells:

- The **Ovation Fed Com 1318 #211H Well**, the **Ovation Fed Com 1318 #212H Well**, the **Ovation Fed Com 1318 #221H Well**, the **Ovation Fed Com 1318 #231H Well**, and the **Ovation Fed Com 1318 #232H Well**, each will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18;
- The **Ovation Fed Com 1318 #222H Well** will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
- The **Ovation Fed Com 1318 #215H Well**, the **Ovation Fed Com 1318 #225H Well**, and the **Ovation Fed Com 1318 #235H Well** each will be horizontally drilled from a common surface location in the E/2 NE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 18.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject enlarged standard spacing unit.

5. Approval of this application is in the best interest of conservation, the prevention of waste and protection of correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this enlarged horizontal spacing unit

should be pooled, and Applicant should be designated the operator of this proposed enlarged standard horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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**ATTORNEYS FOR NOVO OIL & GAS NORTHERN
DELAWARE LLC**

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
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CASE NO. 21549

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21093,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21550

**AFFIDAVIT OF BRANDON PATRICK
IN SUPPORT OF CASE NOS. 21549 AND 21550**

Brandon Patrick, of lawful age and being first duly sworn, declares as follows:

1. My name is Brandon Patrick. I work for Novo Oil & Gas Northern Delaware, LLC (“Novo”) as a Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Novo in **Case Nos. 21549** and **21550**, and I am familiar with the status of the lands in the subject area.
4. **Novo Exhibit C-1** is a project locator map for the enlarged standard horizontal spacing units applied for in **Case Nos. 21549** and **21550**.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550

5. **Novo Exhibit C-1** also shows the units in relation to the surrounding acreage. Existing nearby wells producing in the Bone Spring and Wolfcamp formations are also reflected on the map.

6. In both of these cases, Novo initially applied for and received approval of standard horizontal spacing units for the development of one-mile horizontal wells. Since the entry of Orders R-21092 and R-21093, Novo has determined it is prudent to request approval of enlarged spacing units to allow for the development of two-mile horizontal wells.

7. None of the uncommitted parties has indicated opposition to these pooling applications, and I do not expect any opposition at the hearing to presenting these cases by affidavits.

8. In **Case No. 21549**, Novo seeks to amend Order R-21092 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

9. Order R-21092, entered on February 12, 2020, in Case No. 20886, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Bone Spring Unit"), designated Applicant as the operator of the Bone Spring Unit, pooled the uncommitted interests in the Bone Spring formation [Culebra Bluff; Bone Spring Pool (15011)] in the Bone Spring Unit, and dedicated the Bone Spring Unit to the proposed initial wells.

10. Since the entry of Order R-21092, Novo has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard horizontal spacing

unit to allow for the drilling of 2-mile wells, and Novo seeks Division approval of an enlarged spacing unit covering Sections 13 and 18.

11. As provided in Order R-21092, Novo seeks to dedicate the Bone Spring Unit to these proposed initial wells:

- The **Ovation Fed Com 1318 #131H Well** (API No. pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18;
- The **Ovation Fed Com 1318 #132H Well** (API No. pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
- The **Ovation Fed Com 1318 #135H Well** (API No. pending) to be horizontally drilled from a surface location in the E/2 NE/4 of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18.

12. The completed interval for the **Ovation Fed Com 1318 #132H Well** will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18.

13. In **Case No. 21550**, Novo seeks to amend Order R-21093 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2

equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Order R-21093, entered on February 12, 2020, in Case No. 20887, created a 320-acre, more or less, horizontal well spacing unit consisting of the N/2 of Section 13, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the “Wolfcamp Unit”), designated Applicant as the operator of the Wolfcamp Unit, pooled the uncommitted interests in the Wolfcamp formation [Purple Sage; Wolfcamp (Gas) Pool (98220)] in the Wolfcamp Unit, and dedicated the Wolfcamp Unit to the proposed initial wells.

14. Since the entry of Order R-21093, Novo has determined that it is prudent to include the N/2 equivalent of irregular Section 18 into this standard spacing unit to allow for the drilling of 2-mile horizontal wells, and Novo seeks Division approval of an enlarged spacing unit covering Sections 13 and 18.

15. As provided in Order R-21093, Novo seeks to dedicate the Wolfcamp Unit to these proposed initial wells:

- The **Ovation Fed Com 1318 #211H Well** (API No. pending), the **Ovation Fed Com 1318 #212H Well** (API No. pending), the **Ovation Fed Com 1318 #221H Well** (API No. pending), the **Ovation Fed Com 1318 #231H Well** (API No. pending), and the **Ovation Fed Com 1318 #232H Well** (API No. pending), each will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18;
- The **Ovation Fed Com 1318 #222H Well** (API No. pending) to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of

Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and

- The **Ovation Fed Com 1318 #215H Well** (API No. pending), the **Ovation Fed Com 1318 #225H Well** (API No. pending), and the **Ovation Fed Com 1318 #235H Well** (API No. pending), which will be horizontally drilled from a common surface location in the E/2 NE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 18.

16. The completed intervals of these wells will comply with the setbacks of the Special Rules for the Purple Sage Wolfcamp Pool.

17. Novo has prepared draft Form C-102s to file with the Division for the proposed wells in both **Case Nos. 21549** and **21550**, which are attached to this affidavit as **Novo Exhibit C-2**.

18. **Novo Exhibit C-3** identifies the tracts of land comprising the proposed horizontal spacing units in **Case Nos. 21549** and **21550** that include both fee and federal lands. This exhibit shows the working interest owners that Novo seeks to pool and provides a tract recapitulation. There are no unleased interests in this acreage.

19. **Novo Exhibit C-4** identifies the overriding royalty interest owners by tract that Novo seeks to pool in **Case Nos. 21549** and **21550**.

20. **Novo Exhibit C-5** provides a recapitulation showing the percentage of each interest in the proposed spacing units in **Case Nos. 21549** and **21550**. There are no depth severances in either the Bone Spring or Wolfcamp formations underlying this acreage.

21. A copy each well proposal letter for the wells in **Case Nos. 21549** and **21550**, along with the corresponding AFEs, is attached as **Novo Exhibit C-6**. The costs reflected in the AFEs

attached as Novo Exhibit C-5 are consistent with what Novo and other operators have incurred for drilling similar horizontal wells in the area.

22. Novo has been able to locate contact information for all of the parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners in **Case Nos. 21549 and 21550**. **Exhibit C-7** contains a summary chronology of many of Novo's contacts with the uncommitted working interest owners that Novo seeks to pool in the enlarged spacing units in Section 18. In my opinion, Novo has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners in **Case Nos. 21549 and 21550**.

23. For both **Case Nos. 21549 and 21550**, I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners. In compiling these addresses, Novo conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

24. However, since the filing of the applications in **Case Nos. 21549 and 21550**, Novo discovered that Tract A contained the highlighted overriding royalty interest owners, shown on **Novo Exhibit C-4**. For that reason, Novo respectfully requests that these cases be continued to the Division docket on December 17, 2020, or the next available docket, to provide notice as required by Division rules to these additional overriding royalty interest owners that Novo recently discovered and seeks to pool under the terms of **Orders R-21092 and R-21093**.

25. As provided in **Orders R-21092 and R-21093**, Novo seeks approval of overhead and administrative costs at \$8,000/month while drilling and \$800/month while producing the wells. These costs are consistent with what Novo and other operators are charging in this area for these types of wells. Novo respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in **Case Nos. 21549 and 21550**.

26. **Novo Exhibits C-1 through C-7** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.



Brandon Patrick

BRANDON PATRICK

STATE OF OKLAHOMA)

COUNTY OF OKLAHOMA)

SUBSCRIBED and SWORN to before me this 30th day of Nov. 2020 by
Brandon Patrick



Justin Carter

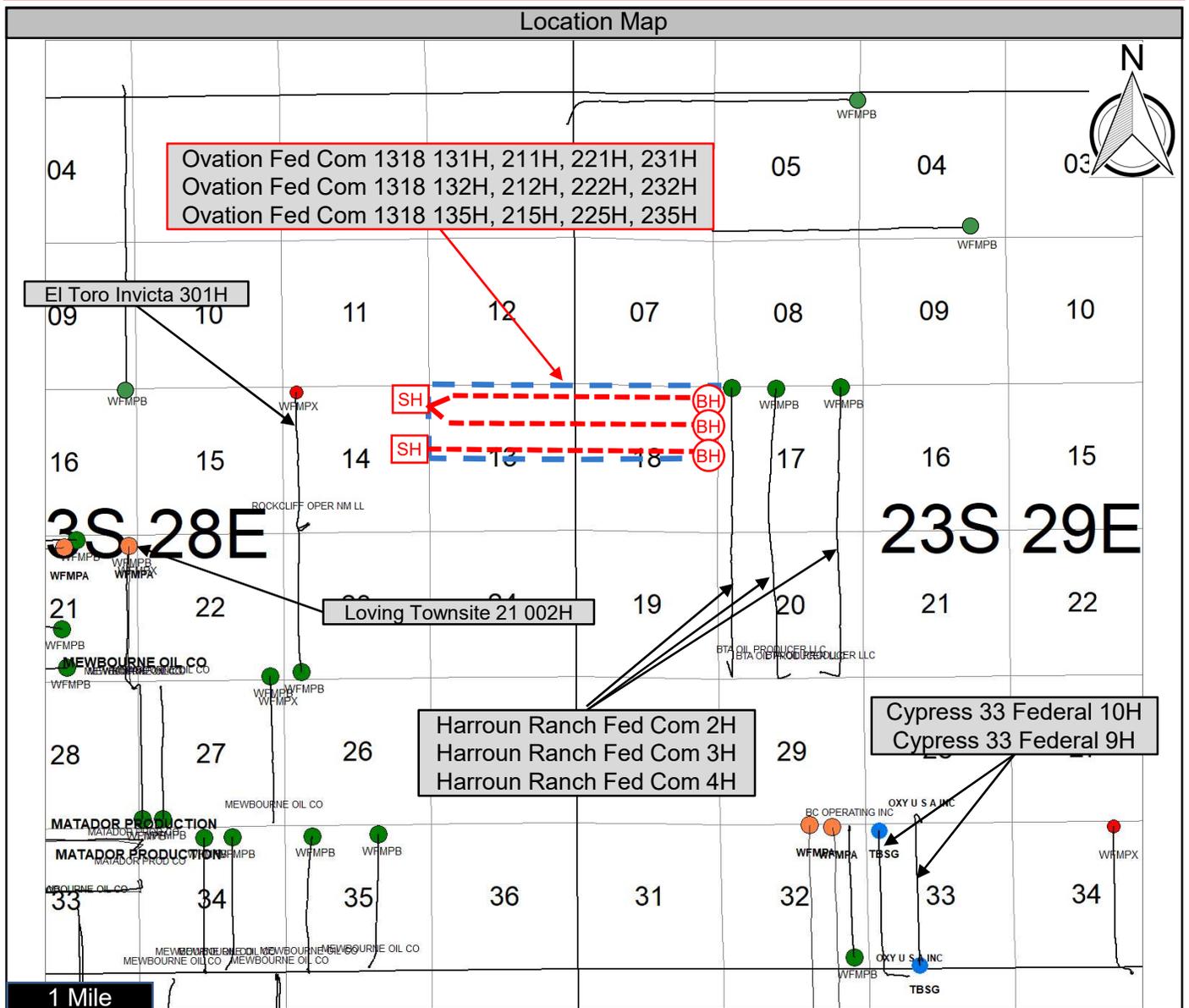
NOTARY PUBLIC

My Commission Expires:

5/22/2024

Ovation Fed Com 1318 Execution Plan

Third Bone Spring, Wolfcamp XY, Wolfcamp A and Wolfcamp B Proposed Locations, Sections 13-23S-28E and 18-23S-29E



Map Legend	
	Spacing Unit (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Horizontal Landing Target
	Third Bone Spring Producer
	Wolfcamp XY Producer
	Wolfcamp A Producer
	Wolfcamp B Producer

Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number:
Date:
Exhibit Number:

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), November 17, 2020

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C1

Submitted by: **Novo Oil & Gas Northern Delaware LLC**

Hearing Date: December 3, 2020

Case Nos. 21549-21550

District I
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 API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	
		⁶ Well Number 131H
		⁹ Elevation 2983.2

¹⁰ Surface Location

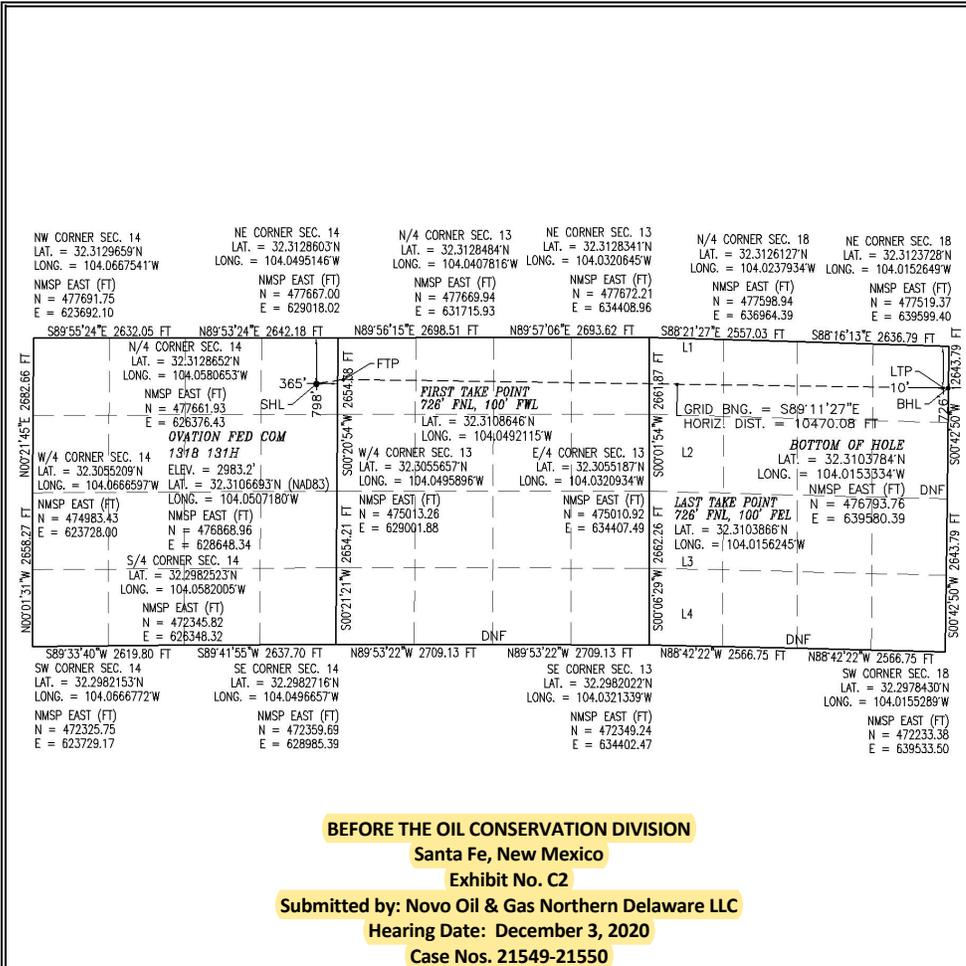
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		798	NORTH	365	EAST	EDDY

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	County
A	18	23 S	29 E		726	NORTH	10	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor _____

Certificate Number: F1110005 FARRADAY, PLS 12797

SURVEY NO. 7764A

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C2
Submitted by: Novo Oil & Gas Northern Delaware LLC
Hearing Date: December 3, 2020
Case Nos. 21549-21550

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 131H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 798	From N/S NORTH	Feet 365	From E/W EAST	County EDDY
Latitude 32.3106693					Longitude 104.0507180				NAD 83

First Take Point (FTP)

UL D	Section 13	Township 23S	Range 28E	Lot	Feet 726	From N/S NORTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.3108646					Longitude 104.0492115				NAD 83

Last Take Point (LTP)

UL A	Section 18	Township 23S	Range 29E	Lot	Feet 726	From N/S NORTH	Feet 100	From E/W EAST	County EDDY
Latitude 32.3103866					Longitude 104.0156245				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
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 API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name OVATION FED COM 1318	
⁷ OGRID No. 372920	⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC	
		⁶ Well Number 132H
		⁹ Elevation 2981.9

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		833	NORTH	345	EAST	EDDY

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	County
H	18	23 S	29 E		1518	NORTH	10	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.

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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

JUNE 8, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor: 

Certificate Number: **12799**

Survey No. 7765

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 132H
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Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 833	From N/S NORTH	Feet 345	From E/W EAST	County EDDY
Latitude 32.3105716					Longitude 104.0506553				NAD 83

First Take Point (FTP)

UL E	Section 13	Township 23S	Range 28E	Lot	Feet 1518	From N/S NORTH	Feet 100	From E/W WEST	County EDDY
Latitude 32.3086880					Longitude 104.0492339				NAD 83

Last Take Point (LTP)

UL H	Section 18	Township 23S	Range 29E	Lot	Feet 1518	From N/S NORTH	Feet 100	From E/W EAST	County EDDY
Latitude 32.3082099					Longitude 104.0156641				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
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 API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name			⁶ Well Number	
		OVATION FED COM 1318			135H	
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation	
372920		NOVO OIL & GAS NORTHERN DELAWARE, LLC			2981.6	

¹⁰ Surface Location

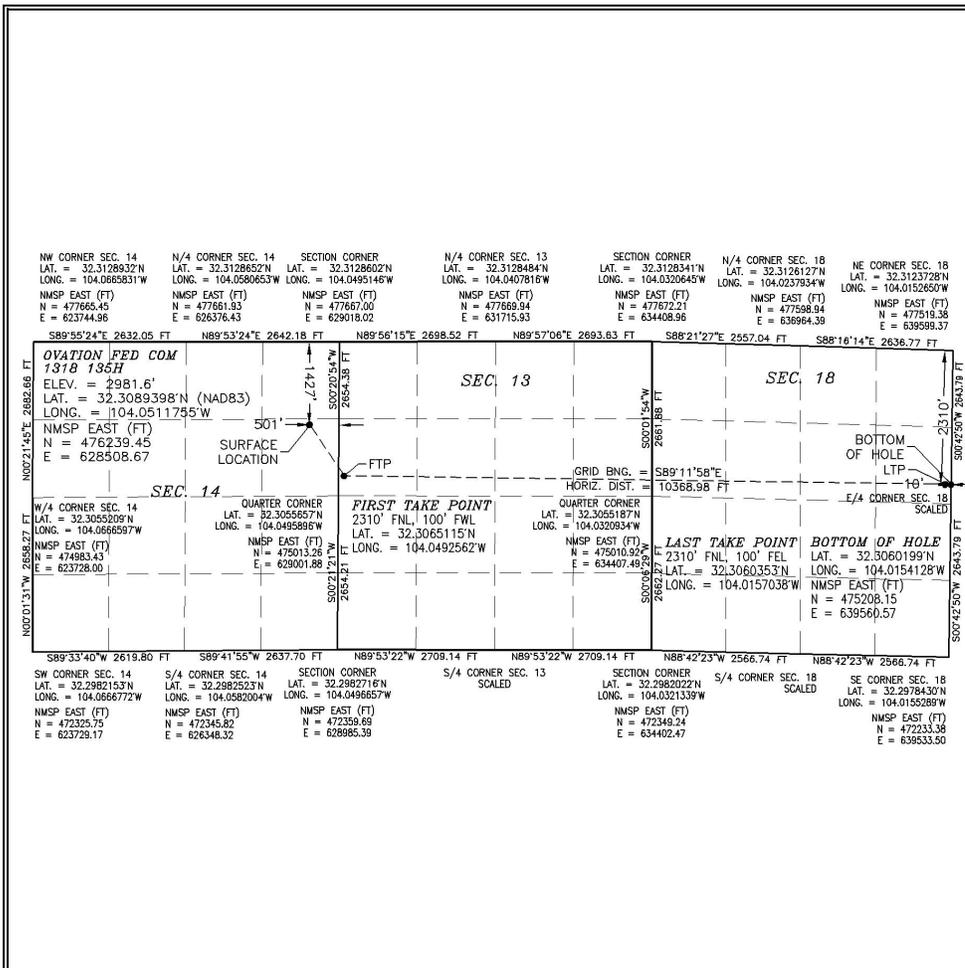
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	23 S	28 E		1427	NORTH	501	EAST	EDDY

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	County
H	18	23 S	29 E		2310	NORTH	10	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor:

Certificate Number: PAUL BYRON E. JARAMELLO, PLS 12797

Survey No. 7766A

Intent As Drilled

API #		
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 135H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
E	13	23S	28E		2310	NORTH	100	WEST	EDDY
Latitude 32.3065115					Longitude 104.0492562				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
H	18	23S	29E		2310	NORTH	100	EAST	EDDY
Latitude 32.3060353					Longitude 104.0157038				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

District I
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 API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name OVATION FED COM 1318			⁶ Well Number 211H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 2981.6

¹⁰ Surface Location

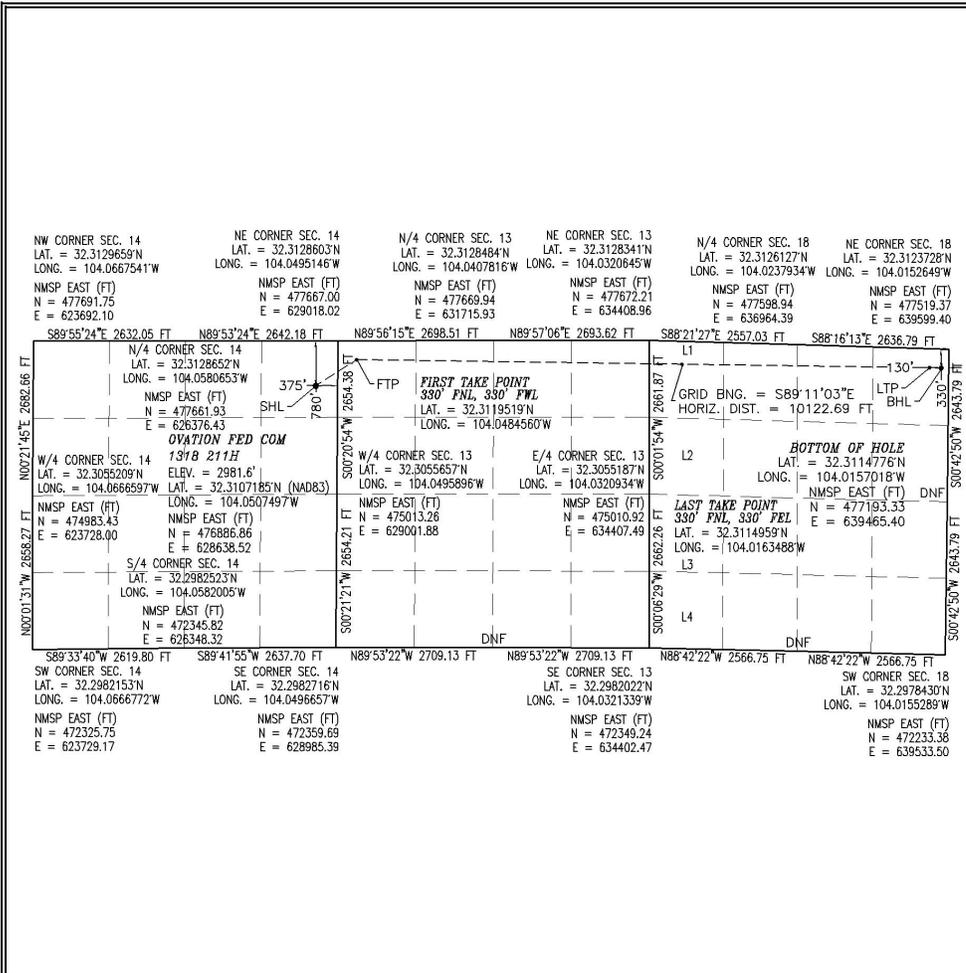
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		780	NORTH	375	EAST	EDDY

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	County
A	18	23 S	29 E		330	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020
Date of Survey

Signature and Seal of Professional Surveyor: 

Certificate Number: FILE MON OF ESR 000110, PLS 12797
SURVEY NO. 7776A

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 211H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 780	From N/S NORTH	Feet 375	From E/W EAST	County EDDY
Latitude 32.3107185					Longitude 104.0507497				NAD 83

First Take Point (FTP)

UL D	Section 13	Township 23S	Range 28E	Lot	Feet 330	From N/S NORTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3119519					Longitude 104.0484560				NAD 83

Last Take Point (LTP)

UL A	Section 18	Township 23S	Range 29E	Lot	Feet 330	From N/S NORTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3114959					Longitude 104.0163488				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
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 API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name OVATION FED COM 1318			⁶ Well Number 212H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 2981.7

¹⁰ Surface Location

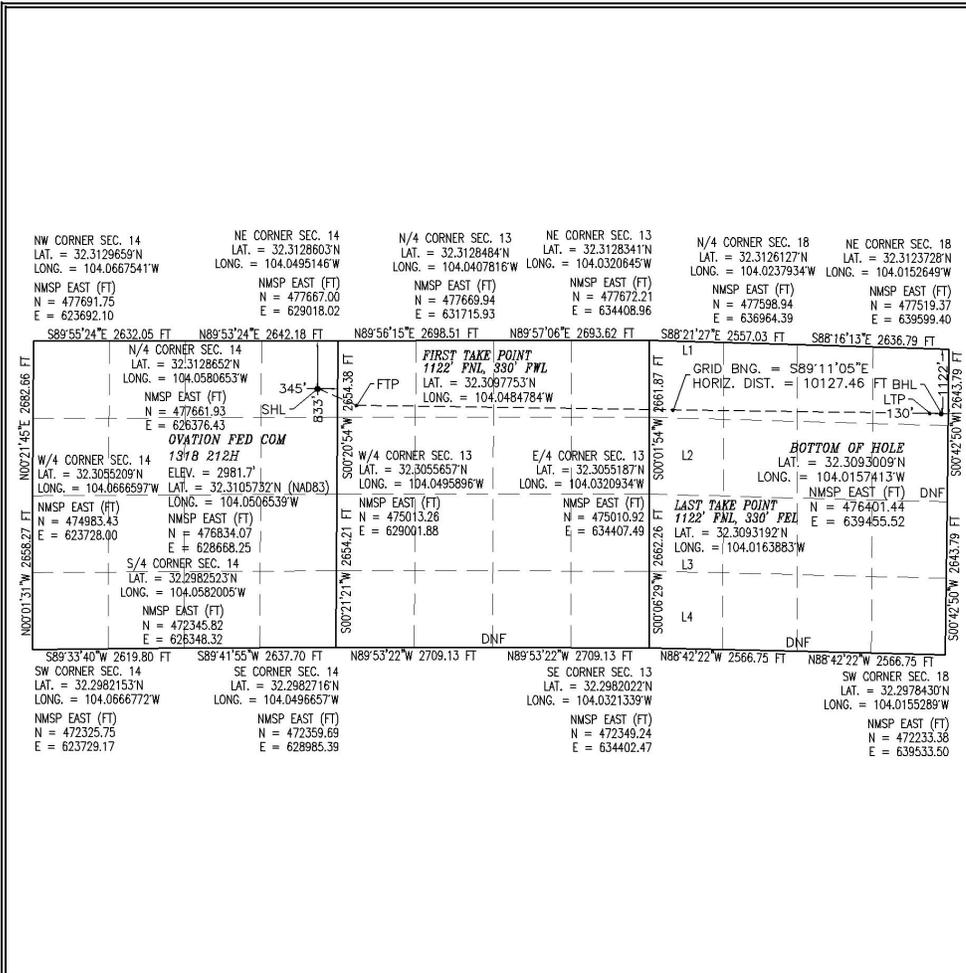
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		833	NORTH	345	EAST	EDDY

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	County
A	18	23 S	29 E		1122	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020
Date of Survey

Signature and Seal of Professional Surveyor: 

Certificate Number: FIRM OIL & GAS PROGRAM, PLS 12797
SURVEY NO. 7777A

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 212H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 833	From N/S NORTH	Feet 345	From E/W EAST	County EDDY
Latitude 32.3105732					Longitude 104.0506539				NAD 83

First Take Point (FTP)

UL D	Section 13	Township 23S	Range 28E	Lot	Feet 1122	From N/S NORTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3097753					Longitude 104.0484784				NAD 83

Last Take Point (LTP)

UL A	Section 18	Township 23S	Range 29E	Lot	Feet 1122	From N/S NORTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3093192					Longitude 104.0163883				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
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
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Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name			
⁴ Property Code		⁵ Property Name				⁶ Well Number	
		OVATION FED COM 1318				215H	
⁷ OGRID No.		⁸ Operator Name				⁹ Elevation	
372920		NOVO OIL & GAS NORTHERN DELAWARE, LLC				2985.1	

¹⁰ Surface Location

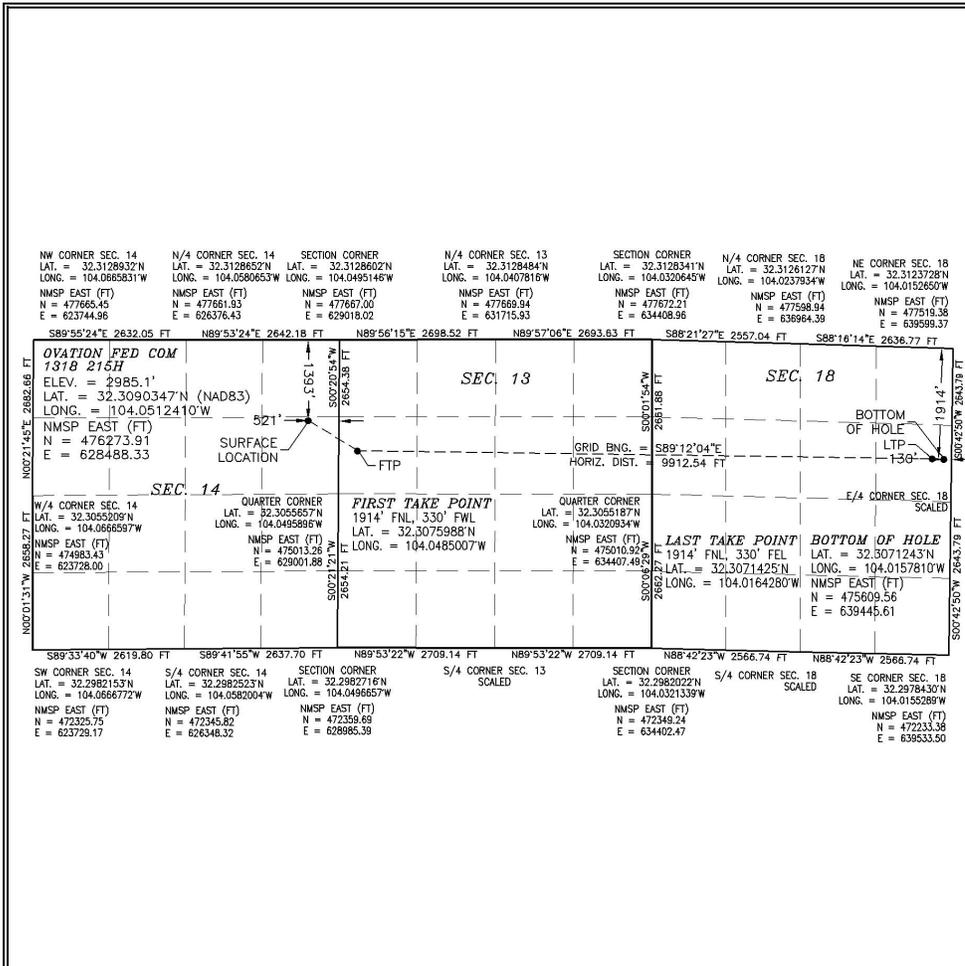
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	23 S	28 E		1393	NORTH	521	EAST	EDDY

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	County
H	18	23 S	29 E		1914	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor: 

Certificate Number: PAUL BYRON E. JARAMELLO, PLS 12797
SURVEY NO. 7778A

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 215H
--	--	---------------------

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
E	13	23S	28E		1914	NORTH	330	WEST	EDDY
Latitude 32.3075988					Longitude 104.0485007				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
H	18	23S	29E		1914	NORTH	330	EAST	EDDY
Latitude 32.3071425					Longitude 104.0164280				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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Phone: (575) 748-1283 Fax: (575) 748-9720
District III
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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

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District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name OVATION FED COM 1318			⁶ Well Number 221H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 2981.4

¹⁰ Surface Location

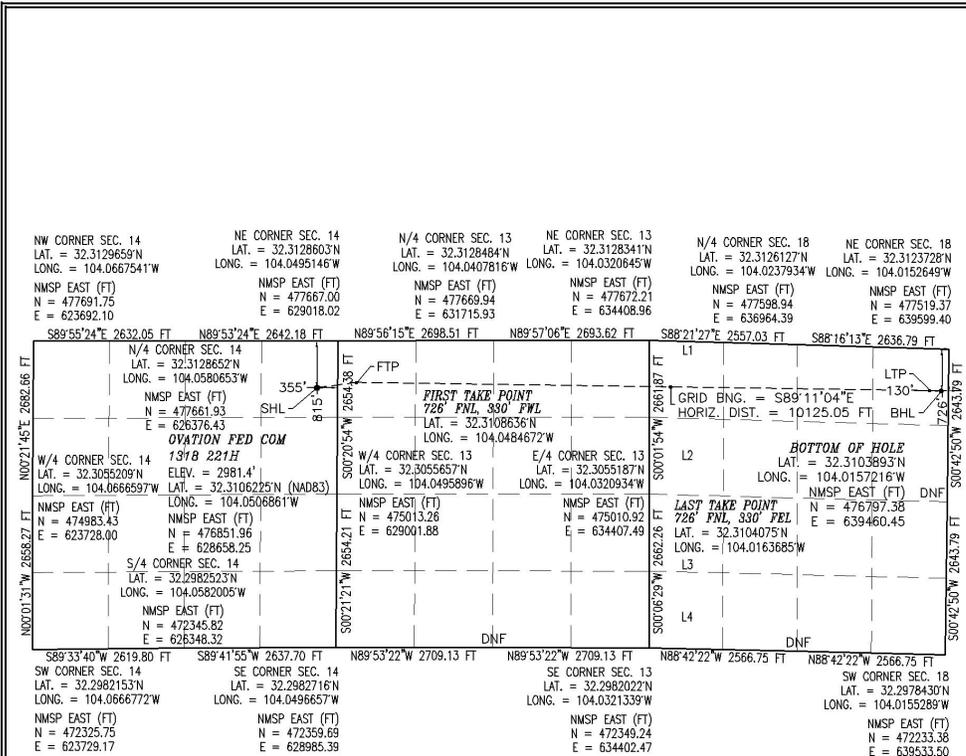
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		815	NORTH	355	EAST	EDDY

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	County
A	18	23 S	29 E		726	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

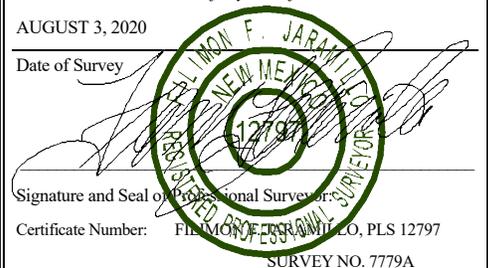
AUGUST 3, 2020

Date of Survey

Signature and Seal of Professional Surveyor: _____

Certificate Number: FIELD MONITORING PROGRAM, PLS 12797

SURVEY NO. 7779A



Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 221H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 815	From N/S NORTH	Feet 355	From E/W EAST	County EDDY
Latitude 32.3106225					Longitude 104.0506861				NAD 83

First Take Point (FTP)

UL D	Section 13	Township 23S	Range 28E	Lot	Feet 726	From N/S NORTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3108636					Longitude 104.0484672				NAD 83

Last Take Point (LTP)

UL A	Section 18	Township 23S	Range 29E	Lot	Feet 726	From N/S NORTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3104075					Longitude 104.0163685				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
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

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Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name			⁶ Well Number	
		OVATION FED COM 1318			222H	
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation	
372920		NOVO OIL & GAS NORTHERN DELAWARE, LLC			2981.6	

¹⁰ Surface Location

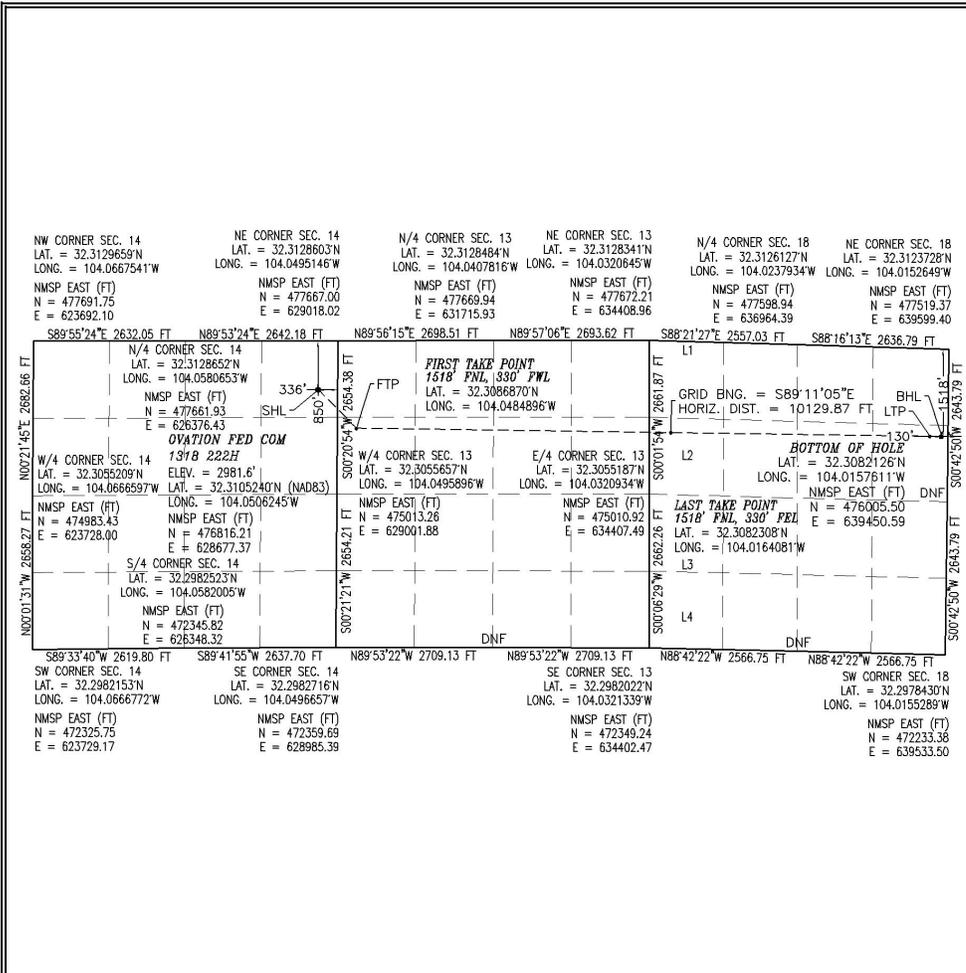
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		850	NORTH	336	EAST	EDDY

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	County
H	18	23 S	29 E		1518	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020
Date of Survey

Signature and Seal of Professional Surveyor: 

Certificate Number: FILE MON OF EOR AMI LO, PLS 12797
SURVEY NO. 7780A

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 222H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 850	From N/S NORTH	Feet 336	From E/W EAST	County EDDY
Latitude 32.3105240					Longitude 104.0506245				NAD 83

First Take Point (FTP)

UL E	Section 13	Township 23S	Range 28E	Lot	Feet 1518	From N/S NORTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3086870					Longitude 104.0484896				NAD 83

Last Take Point (LTP)

UL H	Section 18	Township 23S	Range 29E	Lot	Feet 1518	From N/S NORTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3082308					Longitude 104.0164081				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
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

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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name			⁶ Well Number	
		OVATION FED COM 1318			225H	
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation	
372920		NOVO OIL & GAS NORTHERN DELAWARE, LLC			2981.2	

¹⁰ Surface Location

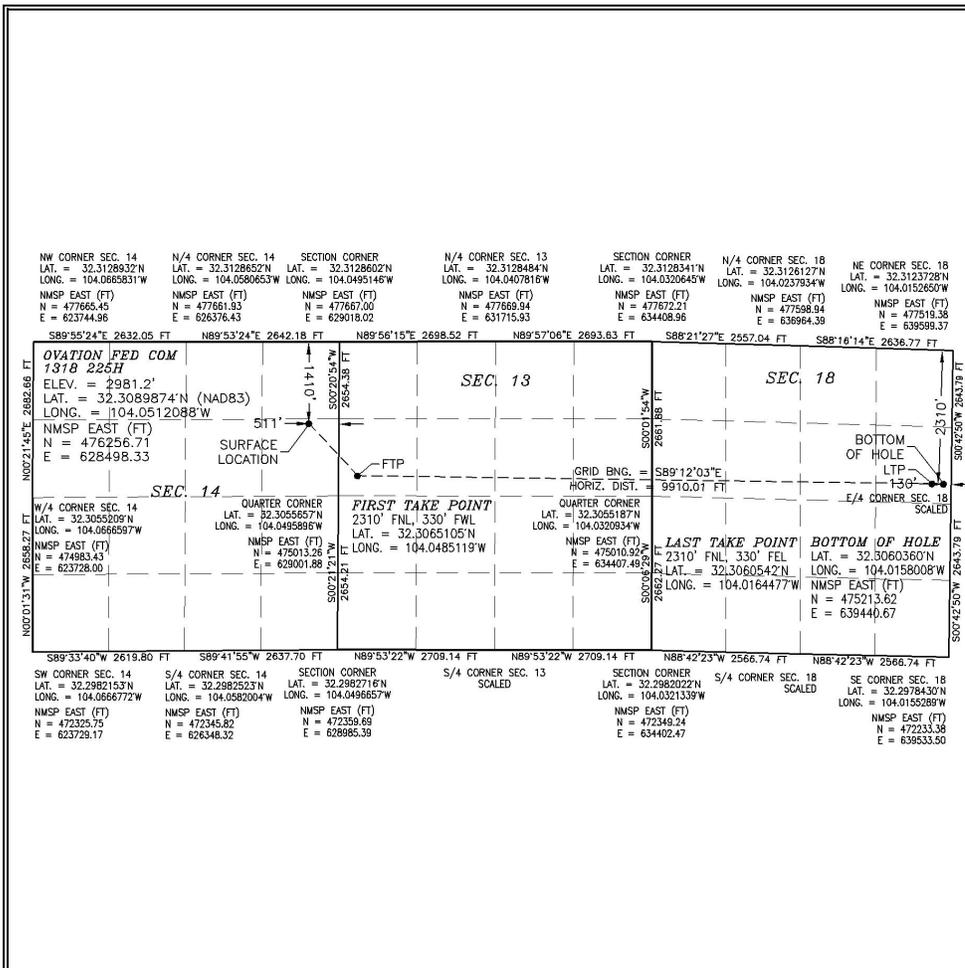
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	23 S	28 E		1410	NORTH	511	EAST	EDDY

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	County
H	18	23 S	29 E		2310	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number: F. BYRON E. JARAMILLO, P.S. 12797

Survey No. 7781A



Intent As Drilled

API #		
Operator Name: NOVO OIL & GAS NORTHERN DELAWARE, LLC	Property Name: OVATION FED COM 1318	Well Number 225H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
E	13	23S	28E		2310	NORTH	330	WEST	EDDY
Latitude 32.3065105					Longitude 104.0485119				NAD 83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
H	18	23S	29E		2310	NORTH	330	EAST	EDDY
Latitude 32.3060542					Longitude 104.0164477				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

District I
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

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District Office
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name OVATION FED COM 1318			⁶ Well Number 231H
⁷ OGRID No. 372920		⁸ Operator Name NOVO OIL & GAS NORTHERN DELAWARE, LLC			⁹ Elevation 2982.4

¹⁰ Surface Location

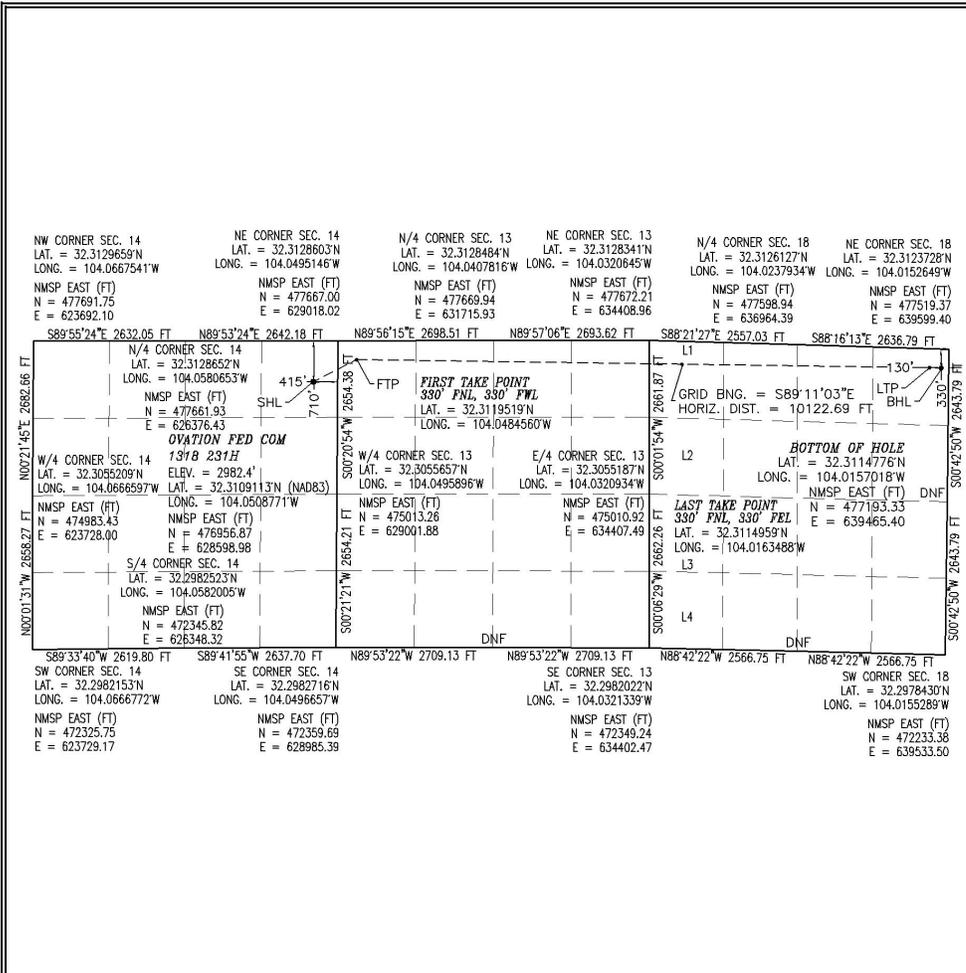
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		710	NORTH	415	EAST	EDDY

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	County
A	18	23 S	29 E		330	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020
Date of Survey

Signature and Seal of Professional Surveyor: 

Certificate Number: FILE MON OF ESR 000110, PLS 12797
SURVEY NO. 8239A

Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 231H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 710	From N/S NORTH	Feet 415	From E/W EAST	County EDDY
Latitude 32.3109113					Longitude 104.0508771				NAD 83

First Take Point (FTP)

UL D	Section 13	Township 23S	Range 28E	Lot	Feet 330	From N/S NORTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3119519					Longitude 104.0484560				NAD 83

Last Take Point (LTP)

UL A	Section 18	Township 23S	Range 29E	Lot	Feet 330	From N/S NORTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3114959					Longitude 104.0163488				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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Phone: (575) 748-1283 Fax: (575) 748-9720
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District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name			⁶ Well Number	
		OVATION FED COM 1318			232H	
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation	
372920		NOVO OIL & GAS NORTHERN DELAWARE, LLC			2982.5	

¹⁰ Surface Location

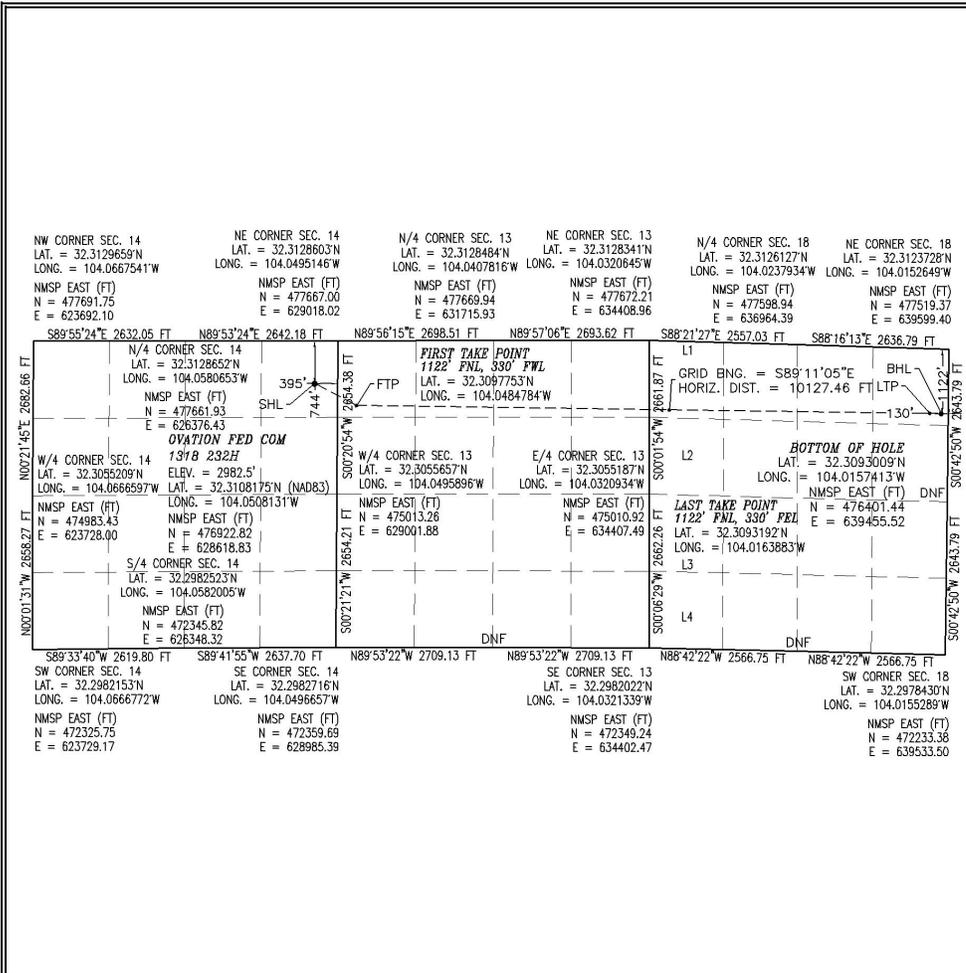
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	23 S	28 E		744	NORTH	395	EAST	EDDY

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	County
A	18	23 S	29 E		1122	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

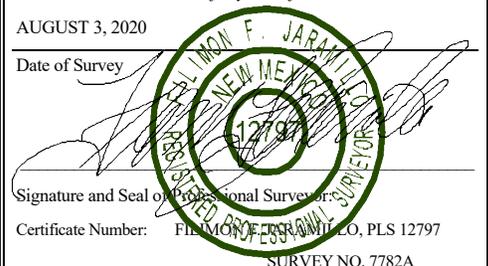
AUGUST 3, 2020

Date of Survey

Signature and Seal of Professional Surveyor: _____

Certificate Number: FILE MON OF ESR 000110, PLS 12797

SURVEY NO. 7782A



Intent As Drilled

API #

Operator Name: NOVO OIL & GAS NORTHERN DELAWARE,LLC	Property Name: OVATION FED COM 1318	Well Number 232H
---	---	----------------------------

Kick Off Point (KOP)

UL A	Section 14	Township 23S	Range 28E	Lot	Feet 744	From N/S NORTH	Feet 395	From E/W EAST	County EDDY
Latitude 32.3108175					Longitude 104.0508131				NAD 83

First Take Point (FTP)

UL D	Section 13	Township 23S	Range 28E	Lot	Feet 1122	From N/S NORTH	Feet 330	From E/W WEST	County EDDY
Latitude 32.3097753					Longitude 104.0484784				NAD 83

Last Take Point (LTP)

UL A	Section 18	Township 23S	Range 29E	Lot	Feet 1122	From N/S NORTH	Feet 330	From E/W EAST	County EDDY
Latitude 32.3093192					Longitude 104.0163883				NAD 83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #

Operator Name:	Property Name:	Well Number
----------------	----------------	-------------

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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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

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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name			
⁴ Property Code		⁵ Property Name				⁶ Well Number	
		OVATION FED COM 1318				235H	
⁷ OGRID No.		⁸ Operator Name				⁹ Elevation	
372920		NOVO OIL & GAS NORTHERN DELAWARE, LLC				2978.4	

¹⁰ Surface Location

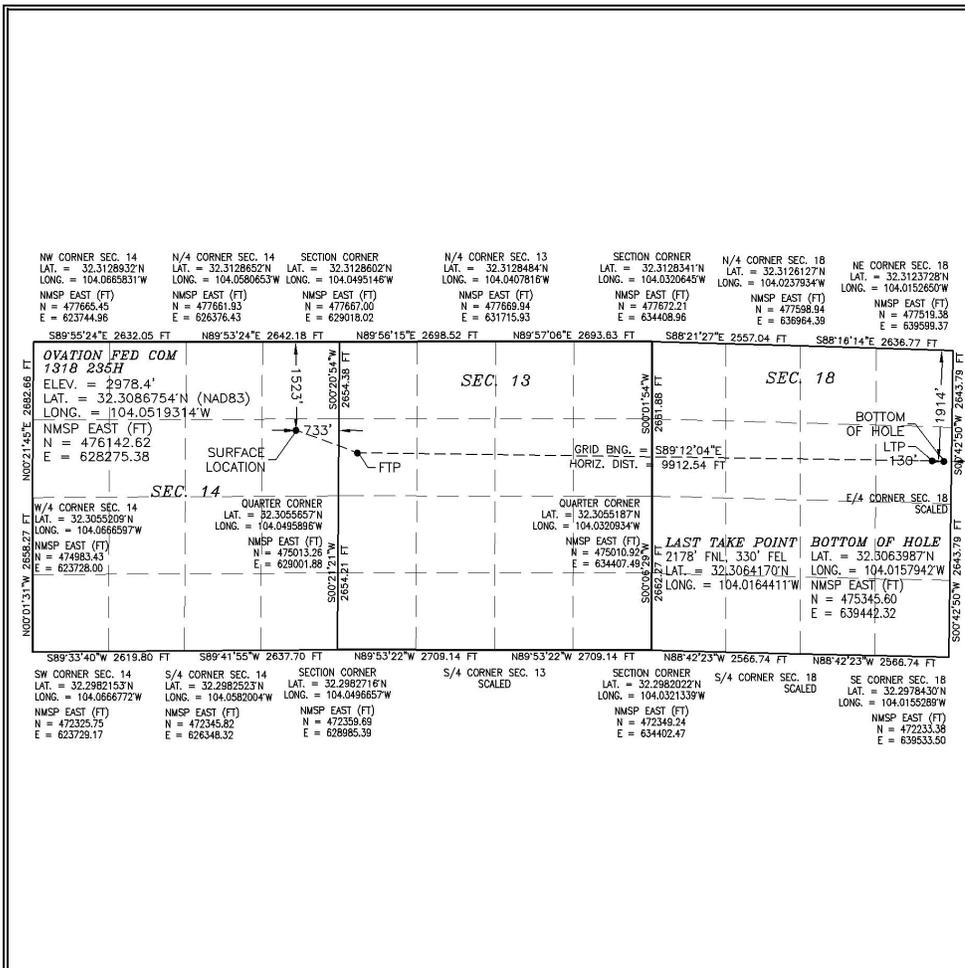
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	14	23 S	28 E		1523	NORTH	733	EAST	EDDY

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	County
H	18	23 S	29 E		1914	NORTH	130	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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.



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 compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

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.

AUGUST 3, 2020

Date of Survey _____

Signature and Seal of Professional Surveyor: 

Certificate Number: F. BYRON E. JARAMELLO, P.S. 12797

Survey No. 7783A

Intent As Drilled

API #									
Operator Name:					Property Name:				Well Number

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Is this well the defining well for the Horizontal Spacing Unit?

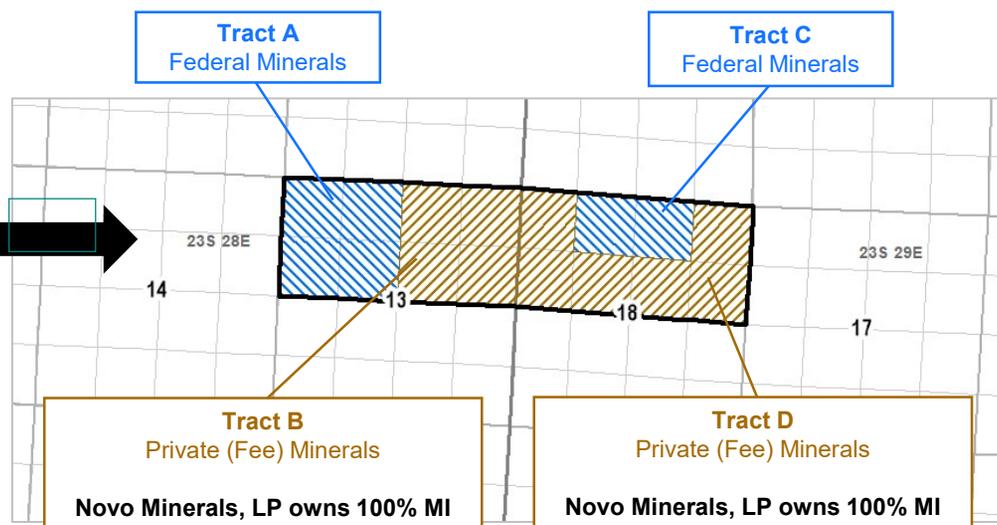
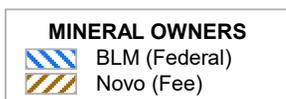
Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

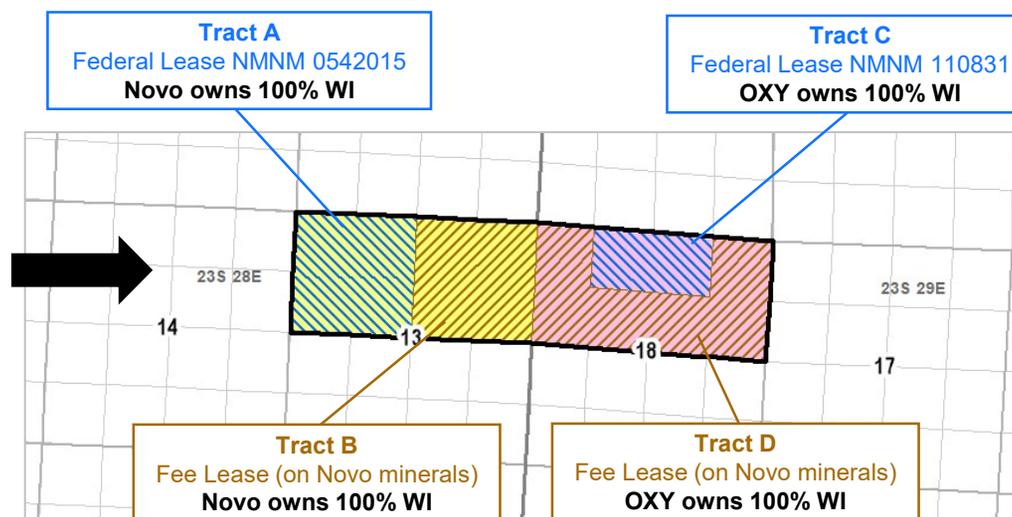
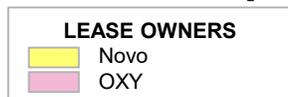
API #									
Operator Name:					Property Name:				Well Number

Ownership by Tract – Minerals & OGLs

Mineral Ownership



Working Interests Ownership



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

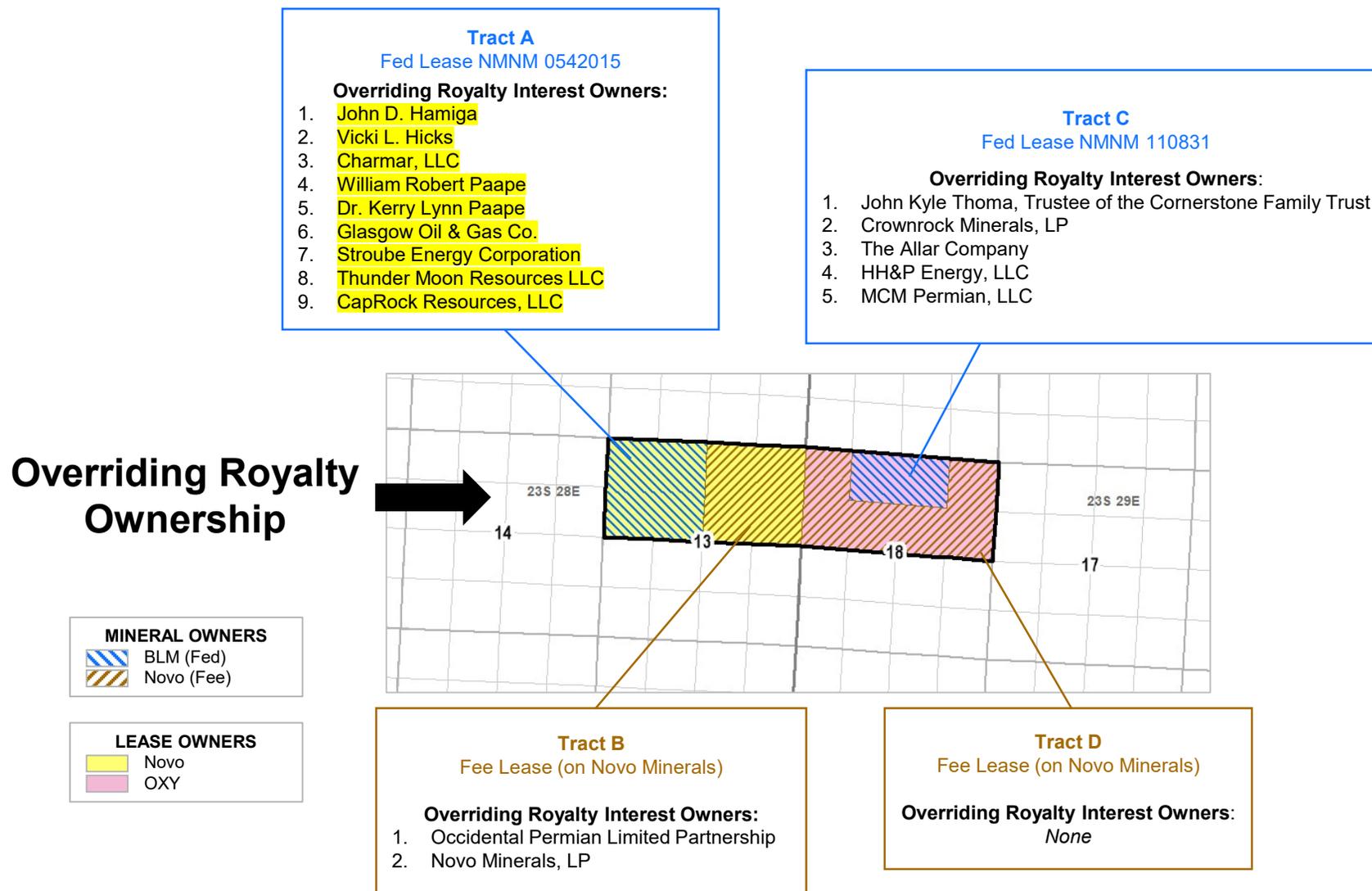
Exhibit No. C3

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550

Ownership by Tract - ORRIs



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C4

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550

Ownership of Pooled Unit

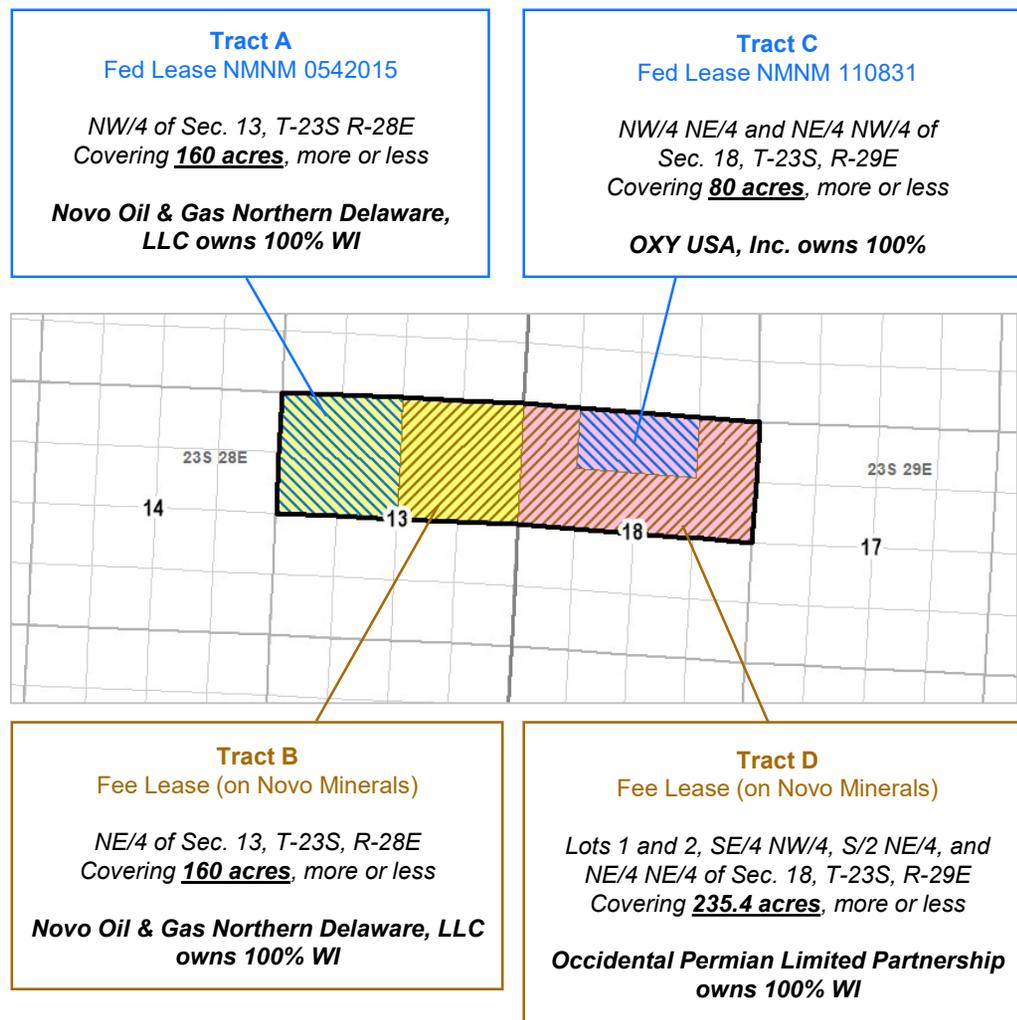
No depth severances, so ownership in Bone Spring and Wolfcamp units is the same

MINERAL OWNERS

-  BLM (Fed)
-  Novo (Fee)

LEASE OWNERS

-  Novo
-  OXY



Owner	Tract	Acres	WI in Unit	
Novo Oil & Gas Northern Delaware, LLC	A	160	25.180988%	 50.361977%
	B	160	25.180988%	
OXY USA, Inc.	C	80	12.590494%	 49.638023%
Occidental Permian Limited Partnership	D	235.4	37.047529%	
		635.4	100.000000%	

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C5

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550



Larry Patrick
Executive Land Advisor
Novo Oil & Gas Northern Delaware, LLC
1001 W. Wilshire Blvd., Suite 206
Oklahoma City, Oklahoma 73116
Office: 405-286-3405
Lpatrick@novooil.com

October 16, 2020

Occidental Permian Limited Partnership
5 Greenway Plaza, Suite 110
Houston, Texas 77046
Attention: Courtney Carr

Re: Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
Lots 1, Lot 2, E/2NW/4 and the NE/4 (a/k/a N/2) of Section 18, Township 23 South, Range 29 East
(315.4 ac)
Eddy County, New Mexico
635.4 acre Working Interest Unit

Proposed Wells:

Ovation Fed Com 1318 131H (Third Bone Spring)
Ovation Fed Com 1318 132H (Third Bone Spring)
Ovation Fed Com 1318 135H (Third Bone Spring)
Ovation Fed Com 1318 211H (Wolfcamp XY)
Ovation Fed Com 1318 212H (Wolfcamp XY)
Ovation Fed Com 1318 215H (Wolfcamp XY)
Ovation Fed Com 1318 221H (Wolfcamp A)
Ovation Fed Com 1318 222H (Wolfcamp A)
Ovation Fed Com 1318 225H (Wolfcamp A)
Ovation Fed Com 1318 231H (Wolfcamp B)
Ovation Fed Com 1318 232H (Wolfcamp B)
Ovation Fed Com 1318 235H (Wolfcamp B)

Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC (“Novo”) as Operator hereby proposes the drilling of the twelve following described Ovation Fed Com 1318 wells located in the N/2 of Section 13, Township 23 South, Range 28 East, and the N/2 of Section 18, Township 23 South, Range 29 East, Eddy County, New Mexico.

The estimated cost of drilling, testing, completing, and equipping of each of the Proposed Wells is itemized on corresponding Authority for Expenditures (“AFE”) included herewith. Novo’s records reflect that Occidental Permian Limited Partnership (“Occidental”) owns a 235.40 net acre leasehold interest in the N/2 of Section 18 representing a 37.047529% working interest in the corresponding 635.4-acre spacing units for each of the proposed wells. A title opinion has been ordered to confirm the interest of all parties.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No.C6

Submitted by: **Novo Oil & Gas Northern Delaware LLC**

Hearing Date: December 3, 2020

Case Nos. 21549-21550

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 2

Proposed Well - Ovation Fed Com 1318 131H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 726' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 726' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: 726' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,516 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,916 feet.

Proposed Well - Ovation Fed Com 1318 132H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,518' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,518' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,518' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,536 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,936 feet.

Proposed Well - Ovation Fed Com 1318 135H (Third Bone Spring)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 2,310' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 2,310' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: 2,310' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,545 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,945 feet.

Proposed Well - Ovation Fed Com 1318 211H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 330' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit. The well will be drilled to an approximate true vertical depth (TVD) of 9,671 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,071 feet.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 3

Proposed Well - Ovation Fed Com 1318 212H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,681 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,081 feet.

Proposed Well - Ovation Fed Com 1318 215H (Wolfcamp XY)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,690 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,090 feet.

Proposed Well - Ovation Fed Com 1318 221H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 726' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 726' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 726' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,851 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,251 feet.

Proposed Well - Ovation Fed Com 1318 222H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,518' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,518' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,518' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,871 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,271 feet.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 4

Proposed Well - Ovation Fed Com 1318 225H (Wolfcamp A)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 2,310' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 2,310' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 2,310' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,905 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,305 feet.

Proposed Well - Ovation Fed Com 1318 231H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 130' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 10,534 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,934 feet.

Proposed Well - Ovation Fed Com 1318 232H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 10,554 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,954 feet.

Proposed Well - Ovation Fed Com 1318 235H (Wolfcamp B)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 10,561 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,961 feet.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 5

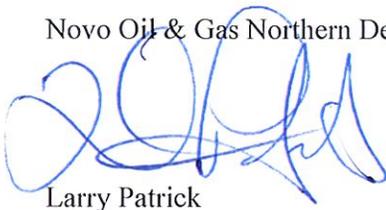
Novo respectfully requests that Occidental complete the ballot portion of this letter as set forth below indicating Occidental's election as to whether it will participate in the proposed wells and return a copy of this letter with ballot pages included to the attention of the undersigned within thirty (30) days from receipt of this letter. In the event Occidental should elect to participate in the proposed wells, please obtain the proper execution on behalf of Occidental of the enclosed AFEs and return them with Occidental's election. Additional copies of the AFEs are enclosed for your records.

As you are aware, earlier this year Oxy and Novo negotiated the terms of an unexecuted Joint Operating Agreement pertaining to the 635.4 acre Working Interest Unit described herein. I have enclosed a "hard copy" of that JOA which has been executed on behalf of Novo. I have also enclosed a copy of the related Recording Supplement which likewise has been executed on behalf of Novo. In the event it is Occidental's intent to execute the JOA Novo respectfully requests that Occidental fully execute the additional JOA signature page and acknowledgement page provided with this letter, as well as a fully executed copy of the Recording Supplement. Retain for your records the complete JOA form and one copy of the Recording Supplement, both of which have been executed on behalf of Novo. One final note, the only change made to the JOA was a modification to the commencement date of the Initial Well described in Article VI.A. which now reads November 1, 2021. When Novo and Occidental finalized the JOA last June we had agreed to insert the date July 1, 2021, however, Novo is now submitting APDs to the BLM in connection with each of the wells proposed herein and it is our understanding that APDs may take up to 12 months to be approved by the BLM. No other changes have been made to the JOA from when we completed our negotiations last June.

Thank you for your attention to this matter. Should you have any questions regarding the above or if I can in any way be of any assistance please do not hesitate to contact me.

With best regards,

Novo Oil & Gas Northern Delaware, LLC



Larry Patrick

Participation Ballot

Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico

Proposed Wells:

Ovation Fed Com 1318 131H (Third Bone Spring)

_____ **Participate** in the Ovation Fed Com 1318 131H

_____ **Not Participate** in the Ovation Fed Com 1318 131H

Ovation Fed Com 1318 132H (Third Bone Spring)

_____ **Participate** in the Ovation Fed Com 1318 132H

_____ **Not Participate** in the Ovation Fed Com 1318 132H

Ovation Fed Com 1318 135H (Third Bone Spring)

_____ **Participate** in the Ovation Fed Com 1318 135H

_____ **Not Participate** in the Ovation Fed Com 1318 135H

Ovation Fed Com 1318 211H (Wolfcamp XY)

_____ **Participate** in the Ovation Fed Com 1318 211H

_____ **Not Participate** in the Ovation Fed Com 1318 211H

Ovation Fed Com 1318 212H (Wolfcamp XY)

_____ **Participate** in the Ovation Fed Com 1318 212H

_____ **Not Participate** in the Ovation Fed Com 1318 212H

Continued of following page
Ballot Page 1 of 3

Participation Ballot

Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico

Proposed Wells (continued):

Ovation Fed Com 1318 215H (Wolfcamp XY)

_____ **Participate** in the Ovation Fed Com 1318 215H

_____ **Not Participate** in the Ovation Fed Com 1318 215H

Ovation Fed Com 1318 221H (Wolfcamp A)

_____ **Participate** in the Ovation Fed Com 1318 221H

_____ **Not Participate** in the Ovation Fed Com 1318 221H

Ovation Fed Com 1318 222H (Wolfcamp A)

_____ **Participate** in the Ovation Fed Com 1318 222H

_____ **Not Participate** in the Ovation Fed Com 1318 222H

Ovation Fed Com 1318 225H (Wolfcamp A)

_____ **Participate** in the Ovation Fed Com 1318 225H

_____ **Not Participate** in the Ovation Fed Com 1318 225H

Ovation Fed Com 1318 231H (Wolfcamp B)

_____ **Participate** in the Ovation Fed Com 1318 231H

_____ **Not Participate** in the Ovation Fed Com 1318 231H

Continued of following page

Ballot Page 2 of 3

Participation Ballot

Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico

Proposed Wells (continued):

Ovation Fed Com 1318 232H (Wolfcamp B)

_____ **Participate** in the Ovation Fed Com 1318 232H

_____ **Not Participate** in the Ovation Fed Com 1318 232H

Ovation Fed Com 1318 235H (Wolfcamp B)

_____ **Participate** in the Ovation Fed Com 1318 235H

_____ **Not Participate** in the Ovation Fed Com 1318 235H

The foregoing elections are made on behalf of:

Occidental Permian Limited Partnership

By: _____

Printed Name: _____

Title: _____

Date: _____



Larry Patrick
Executive Land Advisor
Novo Oil & Gas Northern Delaware, LLC
1001 W. Wilshire Blvd., Suite 206
Oklahoma City, Oklahoma 73116
Office: 405-286-3405
Lpatrick@novoog.com

October 16, 2020

OXY USA Inc.
5 Greenway Plaza, Suite 110
Houston, Texas 77046
Attention: Courtney Carr

Re: Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
Lots 1, Lot 2, E/2NW/4 and the NE/4 (a/k/a N/2) of Section 18, Township 23 South, Range 29 East
(315.4 ac)
Eddy County, New Mexico
635.4 acre Working Interest Unit

Proposed Wells:

Ovation Fed Com 1318 131H (Third Bone Spring)
Ovation Fed Com 1318 132H (Third Bone Spring)
Ovation Fed Com 1318 135H (Third Bone Spring)
Ovation Fed Com 1318 211H (Wolfcamp XY)
Ovation Fed Com 1318 212H (Wolfcamp XY)
Ovation Fed Com 1318 215H (Wolfcamp XY)
Ovation Fed Com 1318 221H (Wolfcamp A)
Ovation Fed Com 1318 222H (Wolfcamp A)
Ovation Fed Com 1318 225H (Wolfcamp A)
Ovation Fed Com 1318 231H (Wolfcamp B)
Ovation Fed Com 1318 232H (Wolfcamp B)
Ovation Fed Com 1318 235H (Wolfcamp B)

Ladies and Gentlemen:

Novo Oil & Gas Northern Delaware, LLC (“Novo”) as Operator hereby proposes the drilling of the twelve following described Ovation Fed Com 1318 wells located in the N/2 of Section 13, Township 23 South, Range 28 East, and the N/2 of Section 18, Township 23 South, Range 29 East, Eddy County, New Mexico.

The estimated cost of drilling, testing, completing, and equipping of each of the Proposed Wells is itemized on corresponding Authority for Expenditures (“AFE”) included herewith. Novo’s records reflect that OXY USA Inc. (“OXY”) owns an 80.0 net acre leasehold interest in the N/2 of Section 18 representing a 12.590494% working interest in the corresponding 635.4-acre spacing units for each of the proposed wells. A title opinion has been ordered to confirm the interest of all parties.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 2

Proposed Well - Ovation Fed Com 1318 131H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 726' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 726' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: 726' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,516 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,916 feet.

Proposed Well - Ovation Fed Com 1318 132H (Third Bone Spring)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,518' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,518' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,518' FNL, 10' FEL of Section 18, Township 23 South, Range 29 East
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The well will be drilled to an approximate true vertical depth (TVD) of 9,536 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,936 feet.

Proposed Well - Ovation Fed Com 1318 135H (Third Bone Spring)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 2,310' FNL, 100' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 2,310' FNL, 100' FEL of Section 18, Township 23 South, Range 29 East
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The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,545 feet subsurface to evaluate the Third Bone Spring formation. The proposed well will have measured depth (MD) of approximately 20,945 feet.

Proposed Well - Ovation Fed Com 1318 211H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 330' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
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The well will be drilled to an approximate true vertical depth (TVD) of 9,671 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,071 feet.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 3

Proposed Well - Ovation Fed Com 1318 212H (Wolfcamp XY)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,681 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,081 feet.

Proposed Well - Ovation Fed Com 1318 215H (Wolfcamp XY)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,690 feet subsurface to evaluate the Wolfcamp XY formation. The proposed well will have measured depth (MD) of approximately 21,090 feet.

Proposed Well - Ovation Fed Com 1318 221H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 726' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 726' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 726' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,851 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,251 feet.

Proposed Well - Ovation Fed Com 1318 222H (Wolfcamp A)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,518' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,518' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,518' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,871 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,271 feet.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico
Page 4

Proposed Well - Ovation Fed Com 1318 225H (Wolfcamp A)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 2,310' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 2,310' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 2,310' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 9,905 feet subsurface to evaluate the Wolfcamp A formation. The proposed well will have measured depth (MD) of approximately 21,305 feet.

Proposed Well - Ovation Fed Com 1318 231H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 330' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 330' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 130' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 10,534 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,934 feet.

Proposed Well - Ovation Fed Com 1318 232H (Wolfcamp B)

SHL: NE/4NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,122' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,122' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,122' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 10,554 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,954 feet.

Proposed Well - Ovation Fed Com 1318 235H (Wolfcamp B)

SHL: E/2NE/4 of Section 14, Township 23 South, Range 28 East
First take point: 1,914' FNL, 330' FWL of Section 13, Township 23 South, Range 28 East
Last take point: 1,914' FNL, 330' FEL of Section 18, Township 23 South, Range 29 East
BHL: 1,914' FNL, 130' FEL of Section 18, Township 23 South, Range 29 East
The N/2 of Section 13 and the N/2 of Section 18 will be dedicated to the well as its 635.4-acre spacing unit.
The well will be drilled to an approximate true vertical depth (TVD) of 10,561 feet subsurface to evaluate the Wolfcamp B formation. The proposed well will have measured depth (MD) of approximately 21,961 feet.

Well Proposals 2.15.20 - Ovation Fed Com 1318 Working Interest Unit

N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)

N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)

Eddy County, New Mexico

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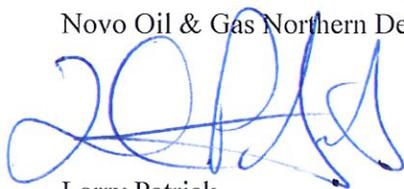
Novo respectfully requests that OXY complete the ballot portion of this letter as set forth below indicating OXY's election as to whether it will participate in the proposed wells and return a copy of this letter with ballot pages included to the attention of the undersigned within thirty (30) days from receipt of this letter. In the event OXY should elect to participate in the proposed wells, please obtain the proper execution on behalf of OXY of the enclosed AFEs and return them with OXY's election. Additional copies of the AFEs are enclosed for your records.

As you are aware, earlier this year OXY and Novo negotiated the terms of an unexecuted Joint Operating Agreement pertaining to the 635.4 acre Working Interest Unit described herein. I have enclosed a "hard copy" of that JOA which has been executed on behalf of Novo. I have also enclosed a copy of the related Recording Supplement which likewise has been executed on behalf of Novo. In the event it is OXY's intent to execute the JOA Novo respectfully requests that OXY fully execute the additional JOA signature page and acknowledgement page provided with this letter, as well as a fully executed copy of the Recording Supplement. Retain for your records the complete JOA form and one copy of the Recording Supplement, both of which have been executed on behalf of Novo. One final note, the only change made to the JOA was a modification to the commencement date of the Initial Well described in Article VI.A. which now reads November 1, 2021. When Novo and OXY finalized the JOA last June we had agreed to insert the date July 1, 2021, however, Novo is now submitting APDs to the BLM in connection with each of the wells proposed herein and it is our understanding that APDs may take up to 12 months to be approved by the BLM. No other changes have been made to the JOA from when we completed our negotiations last June.

Thank you for your attention to this matter. Should you have any questions regarding the above or if I can in any way be of any assistance please do not hesitate to contact me.

With best regards,

Novo Oil & Gas Northern Delaware, LLC



Larry Patrick

Participation Ballot

Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico

Proposed Wells:

Ovation Fed Com 1318 131H (Third Bone Spring)

_____ **Participate** in the Ovation Fed Com 1318 131H

_____ **Not Participate** in the Ovation Fed Com 1318 131H

Ovation Fed Com 1318 132H (Third Bone Spring)

_____ **Participate** in the Ovation Fed Com 1318 132H

_____ **Not Participate** in the Ovation Fed Com 1318 132H

Ovation Fed Com 1318 135H (Third Bone Spring)

_____ **Participate** in the Ovation Fed Com 1318 135H

_____ **Not Participate** in the Ovation Fed Com 1318 135H

Ovation Fed Com 1318 211H (Wolfcamp XY)

_____ **Participate** in the Ovation Fed Com 1318 211H

_____ **Not Participate** in the Ovation Fed Com 1318 211H

Ovation Fed Com 1318 212H (Wolfcamp XY)

_____ **Participate** in the Ovation Fed Com 1318 212H

_____ **Not Participate** in the Ovation Fed Com 1318 212H

Participation Ballot

Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico

Proposed Wells (continued):

Ovation Fed Com 1318 215H (Wolfcamp XY)

_____ **Participate** in the Ovation Fed Com 1318 215H

_____ **Not Participate** in the Ovation Fed Com 1318 215H

Ovation Fed Com 1318 221H (Wolfcamp A)

_____ **Participate** in the Ovation Fed Com 1318 221H

_____ **Not Participate** in the Ovation Fed Com 1318 221H

Ovation Fed Com 1318 222H (Wolfcamp A)

_____ **Participate** in the Ovation Fed Com 1318 222H

_____ **Not Participate** in the Ovation Fed Com 1318 222H

Ovation Fed Com 1318 225H (Wolfcamp A)

_____ **Participate** in the Ovation Fed Com 1318 225H

_____ **Not Participate** in the Ovation Fed Com 1318 225H

Ovation Fed Com 1318 231H (Wolfcamp B)

_____ **Participate** in the Ovation Fed Com 1318 231H

_____ **Not Participate** in the Ovation Fed Com 1318 231H

Participation Ballot

Ovation Fed Com 1318 Working Interest Unit
N/2 of Section 13, Township 23 South, Range 28 East (320.0 ac)
N/2 of Section 18, Township 23 South, Range 29 East (315.4 ac)
Eddy County, New Mexico

Proposed Wells (continued):

Ovation Fed Com 1318 232H (Wolfcamp B)

_____ **Participate** in the Ovation Fed Com 1318 232H

_____ **Not Participate** in the Ovation Fed Com 1318 232H

Ovation Fed Com 1318 235H (Wolfcamp B)

_____ **Participate** in the Ovation Fed Com 1318 235H

_____ **Not Participate** in the Ovation Fed Com 1318 235H

The foregoing elections are made on behalf of:

OXY USA Inc.

By: _____

Printed Name: _____

Title: _____

Date: _____



NOVO OIL & GAS NORTHERN DELAWARE, LLC

AUTHORIZATION FOR EXPENDITURE

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 131H	AFE TYPE	Development	AFE NUMBER	2015065
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	20.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9516 'TVD/20916' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	449,650		449,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	185,000		185,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	82,000	60,000	142,000
13	FUEL & POWER	95,625		95,625
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	20,250		20,250
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	71,400	50,000	121,400
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,125	31,500	60,625
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,223,550	\$ 3,082,900	\$ 5,306,450
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	322,106		322,106
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 687,561	\$ 1,109,360	\$ 1,796,921
	TOTAL ESTIMATED WELL COST	\$ 2,911,111	\$ 4,192,260	\$ 7,103,371

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 132H	AFE TYPE	Development	AFE NUMBER	2015066
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	20.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9536 'TVD/20936' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	449,650		449,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	185,000		185,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	82,000	60,000	142,000
13	FUEL & POWER	95,625		95,625
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	20,250		20,250
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	71,400	50,000	121,400
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,125	31,500	60,625
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,223,550	\$ 3,082,900	\$ 5,306,450
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	322,414		322,414
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 687,869	\$ 1,109,360	\$ 1,797,229
	TOTAL ESTIMATED WELL COST	\$ 2,911,419	\$ 4,192,260	\$ 7,103,679

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 135H	AFE TYPE	Development	AFE NUMBER	2015067
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	20.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Third Bone Spring	DEPTH (TVD/TMD)	9545 'TVD/20945' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	449,650		449,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	185,000		185,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	82,000	60,000	142,000
13	FUEL & POWER	95,625		95,625
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	20,250		20,250
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	71,400	50,000	121,400
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,125	31,500	60,625
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,223,550	\$ 3,082,900	\$ 5,306,450
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	322,553		322,553
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 688,008	\$ 1,109,360	\$ 1,797,368
	TOTAL ESTIMATED WELL COST	\$ 2,911,558	\$ 4,192,260	\$ 7,103,818

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 211H	AFE TYPE	Development	AFE NUMBER	2015071
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9671 'TVD/21071' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	466,650		466,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	195,000		195,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	146,000
13	FUEL & POWER	99,375		99,375
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	21,750		21,750
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	74,200	50,000	124,200
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,875	31,500	61,375
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	324,493		324,493
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 689,948	\$ 1,109,360	\$ 1,799,308
	TOTAL ESTIMATED WELL COST	\$ 2,953,298	\$ 4,192,260	\$ 7,145,558

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 212H	AFE TYPE	Development	AFE NUMBER	2015072
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9681 'TVD/21081' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	466,650		466,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	195,000		195,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	146,000
13	FUEL & POWER	99,375		99,375
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	21,750		21,750
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	74,200	50,000	124,200
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,875	31,500	61,375
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	324,647		324,647
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 690,102	\$ 1,109,360	\$ 1,799,462
	TOTAL ESTIMATED WELL COST	\$ 2,953,452	\$ 4,192,260	\$ 7,145,712

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO of CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 215H	AFE TYPE	Development	AFE NUMBER	2015073
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Wolfcamp XY	DEPTH (TVD/TMD)	9690 'TVD/21090' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	466,650		466,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	195,000		195,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	146,000
13	FUEL & POWER	99,375		99,375
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	21,750		21,750
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	74,200	50,000	124,200
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,875	31,500	61,375
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	324,786		324,786
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 690,241	\$ 1,109,360	\$ 1,799,601
	TOTAL ESTIMATED WELL COST	\$ 2,953,591	\$ 4,192,260	\$ 7,145,851

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 221H	AFE TYPE	Development	AFE NUMBER	2015074
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9851 'TVD/21251' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	466,650		466,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	195,000		195,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	146,000
13	FUEL & POWER	99,375		99,375
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	21,750		21,750
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	74,200	50,000	124,200
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,875	31,500	61,375
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	327,265		327,265
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 692,720	\$ 1,109,360	\$ 1,802,080
	TOTAL ESTIMATED WELL COST	\$ 2,956,070	\$ 4,192,260	\$ 7,148,330

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 222H	AFE TYPE	Development	AFE NUMBER	2015075
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9871 'TVD/21271' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	466,650		466,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	195,000		195,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	146,000
13	FUEL & POWER	99,375		99,375
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	21,750		21,750
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	74,200	50,000	124,200
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,875	31,500	61,375
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	327,573		327,573
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 693,028	\$ 1,109,360	\$ 1,802,388
	TOTAL ESTIMATED WELL COST	\$ 2,956,378	\$ 4,192,260	\$ 7,148,638

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 225H	AFE TYPE	Development	AFE NUMBER	2015076
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	21.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Wolfcamp A	DEPTH (TVD/TMD)	9905 'TVD/21305' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	466,650		466,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	195,000		195,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	86,000	60,000	146,000
13	FUEL & POWER	99,375		99,375
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	21,750		21,750
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	74,200	50,000	124,200
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	29,875	31,500	61,375
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,263,350	\$ 3,082,900	\$ 5,346,250
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	328,097		328,097
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 693,552	\$ 1,109,360	\$ 1,802,912
	TOTAL ESTIMATED WELL COST	\$ 2,956,902	\$ 4,192,260	\$ 7,149,162

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 231H	AFE TYPE	Development	AFE NUMBER	2015077
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	22.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10534 'TVD/21934' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	483,650		483,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	205,000		205,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	90,000	60,000	150,000
13	FUEL & POWER	103,125		103,125
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	23,250		23,250
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	77,000	50,000	127,000
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	30,625	31,500	62,125
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,303,150	\$ 3,082,900	\$ 5,386,050
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	337,784		337,784
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 703,239	\$ 1,109,360	\$ 1,812,599
	TOTAL ESTIMATED WELL COST	\$ 3,006,389	\$ 4,192,260	\$ 7,198,649

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 232H	AFE TYPE	Development	AFE NUMBER	2015078
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	22.5
SURFACE LOCATION	Section 14-23S-R28E NE/4 NE/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10554 'TVD/21954' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E NE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	483,650		483,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	205,000		205,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	90,000	60,000	150,000
13	FUEL & POWER	103,125		103,125
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	23,250		23,250
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	77,000	50,000	127,000
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	30,625	31,500	62,125
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,303,150	\$ 3,082,900	\$ 5,386,050
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	338,092		338,092
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 703,547	\$ 1,109,360	\$ 1,812,907
	TOTAL ESTIMATED WELL COST	\$ 3,006,697	\$ 4,192,260	\$ 7,198,957

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures 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

1001 West Wilshire, Suite 206
Oklahoma City, Oklahoma 73116
405-286-4391

WELL NAME	Ovation Fed Com 1318 235H	AFE TYPE	Development	AFE NUMBER	2015079
LATERAL LOCATION	Sections 13-23S-R28E & 18-23S-29E	FIELD	Northern Delaware	DRILLING DAYS	22.5
SURFACE LOCATION	Section 14-23S-R28E SE/4 NE/4	FORMATION	Wolfcamp B	DEPTH (TVD/TMD)	10561 'TVD/21961' MD
BOTTOM-HOLE LOCATION	Section 18-23S-29E SE/4 NE/4	COUNTY	Eddy County	STATE	New Mexico
PROJECT DESCRIPTION	Drilling, completion, facilities and pipeline costs for 9,900' horizontal well				

ACCT. CODE	DESCRIPTION OF EXPENDITURE	COST ESTIMATE		
		DRILLING (300)	COMPLETION (500)	
INTANGIBLE COSTS				
01	SURVEY/PERMITS/DAMAGES/LEGAL	\$ 30,000		\$ 30,000
02	LOCATION & ROAD	212,500		212,500
03	RIG MOVE	150,000		150,000
04	DRILLING - FOOTAGE	40,000		40,000
05	DRILLING - DAYWORK	483,650		483,650
06	COMPLETION/WORKOVER RIG			0
07	COIL TUBING/SNUBBING UNIT		90,000	90,000
08	SLICKLINE/SWABBING			0
09	BITS	100,000	5,000	105,000
10	DIRECTIONAL SERVICES	205,000		205,000
11	CASING CREW	45,000		45,000
12	TOOL & EQUIPMENT RENTAL	90,000	60,000	150,000
13	FUEL & POWER	103,125		103,125
14	DIESEL - BASE FOR MUD	70,000		70,000
15	MUD LOGGING & GEOLOGIST	23,250		23,250
16	DISPOSAL, RESTORATION & BACKFILL	108,000		108,000
17	TRUCKING	60,000	20,000	80,000
18	TESTING			0
19	CEMENTING	138,000		138,000
20	PERFORATING		198,000	198,000
21	CASED HOLE LOGS			0
22	DOWNHOLE TOOLS & SERVICE	25,000	38,400	63,400
23	OTHER STIMULATION			0
24	FORMATION STIMULATION		1,728,000	1,728,000
25	CONSULTING SERVICES		20,000	20,000
26	SUPERVISION	77,000	50,000	127,000
27	CONTRACT LABOR	40,000	20,000	60,000
28	OTHER LABOR		80,000	80,000
29	COMPANY CONSULTING/SUPV			0
30	WATER	40,000	700,000	740,000
31	FLUIDS & CHEMICALS	135,000		135,000
32	CORING & ANALYSIS			0
33	COMMUNICATIONS	5,000	10,000	15,000
34	BOP TESTING	20,000	10,000	30,000
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
41	MULTISHOT & GYRO			0
42	RE-ENTRY SERVICES			0
43	CAMPS & TRAILERS	30,625	31,500	62,125
44	SAFETY EQUIPMENT & H2S	2,000	5,000	7,000
45	CONTINGENCY	50,000		50,000
46	INSURANCE	0	2,000	2,000
47	MISCELLANEOUS	10,000	10,000	20,000
49	SIM-OPS			0
	TOTAL INTANGIBLE COSTS	\$ 2,303,150	\$ 3,082,900	\$ 5,386,050
TANGIBLE COSTS				
		DRILLING (400)	COMPLETION (600)	TOTAL
01	CASING - CONDUCTOR	\$ 20,000		\$ 20,000
02	CASING - SURFACE	16,840		16,840
03	CASING - INTERMEDIATE	248,615		248,615
04	CASING - INTERMEDIATE 2			0
05	CASING - PRODUCTION / LINER	338,199		338,199
06	SUBSURFACE EQUIPMENT	20,000	25,000	45,000
07	PRODUCTION TUBING		74,360	74,360
08	SUBSURFACE PUMPING EQUIPMENT			0
09	WELLHEAD EQUIPMENT	40,000	90,000	130,000
10	FLOWLINES		100,000	100,000
11	SURFACE PUMPING EQUIPMENT			0
12	LINER HANGER & ASSOC EQUIP			0
13	VALVES & FITTINGS		200,000	200,000
15	RODS			0
17	TRUCKING		10,000	10,000
20	RE-ENTRY EQUIPMENT			0
34	PRODUCTION EQUIPMENT		600,000	600,000
47	MISCELLANEOUS	20,000	10,000	30,000
49	TANGIBLE EQUIP-ACQUISITIONS			0
	TOTAL INTANGIBLE COSTS	\$ 703,654	\$ 1,109,360	\$ 1,813,014
	TOTAL ESTIMATED WELL COST	\$ 3,006,804	\$ 4,192,260	\$ 7,199,064

PREPARED BY: Alex Bourland Senior Operations Engineer DATE: 10/14/2020

OPERATOR APPROVAL: [Signature] COO DATE: 10-15-2020

OPERATOR APPROVAL: [Signature] CEO or CFO DATE: 10/15/2020

PARTNER COMPANY NAME: _____

PARTNER APPROVAL: _____ DATE: _____

TITLE: _____

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 expenditures such as tubing, artificial lift or surface equipment may occur up to one year after the project has been initiated.



Communications with OXY (Slide 1 of 2)

Summary of Communication with OXY	
Date	Description of Communication
4/18/2019	Initial communication to OXY informing them that: (1) Novo was in the process of acquiring a large interest in E/2 of Section 13-23S-28E and S/2 of Section 18-23S-29E; (2) Novo is going to propose 1.5-mile wells (3) Novo would like to do some sort of deal with OXY
4/22/2019	OXY asks Novo to send well proposals and AFEs to start the discussion about doing another drill-to-earn deal with Novo
6/13/2019	Novo sends (via email and hard copy) OXY the well proposal letters and AFEs for 1.5-mile wells across the NE/4 of Section 13 and N/2 of Section 18
6/17/2019 - 6/28/2019	OXY and Novo exchange a series of emails. OXY asks for Novo's estimated spud date and a handful of technical questions. Novo promptly responds to each question
7/2/2019	Novo sends trade offer to OXY
7/10/2019	OXY asks to have a conference call to discuss Novo's development plans in the "Ovation" unit. Novo agrees and schedules a call for 7/31/2019
7/15/2019	Novo and OXY continue to discuss Novo's trade offer and other options
7/31/2019	OXY-Novos Conference Call to discuss Novo's proposed development plans
8/1/2019	OXY asks Novo to make a Term Assignment offer for OXY's interest in the "Ovation" unit
8/6/2019	Novo sends OXY an offer to do a Term Assignment of OXY's interest in the "Ovation" unit
Early August 2019	Novo revises its development plan to include the W/2 of Section 13, allowing Novo to drill 2-mile wells across the N/2 of Section 13 and N/2 of Section 18.
Early August 2019	Novo informs OXY of its plan to drill 2-mile wells across the N/2 of Section 13 and N/2 of Section 18.
8/19/2019	OXY tells Novo that it would oppose Novo's pooling applications because they were trying to trade away OXY's interest in the N/2 of Section 18 to a third party. Novo agrees to exclude the N/2 of Section 18 from its development plans.
8/29/2019	Novo proposes 1-mile wells across the N/2 of Section 13 (the "Ovation 13" unit)
October 2019	Novo files pooling applications for the Ovation 13 unit
11/14/2019	NMOCD hears Novo's pooling applications for Ovation 13 (1-mile unit) and takes them under advisement
1/21/2020	Novo meets with OXY in-person in Houston. Novo reiterates its desire to develop the N/2 of Section 13 and N/2 of Section 18 as a 2-mile unit. OXY says their trade fell through and OXY would like the N/2 of Section 18 to be included in Novo's 2-mile development plan. Novo agrees!

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C7

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550

Communications with OXY (Slide 2 of 2)

Summary of Communication with OXY

Date	Description of Communication
1/22/2020	Novo sends email confirming OXY's decision to include the N/2 of Sec. 18 in Novo's "Ovation" unit. Novo requests title information from OXY.
2/4/2020	Novo sends OXY its proposed JOA form to cover the 2-mile Ovation 1318 unit (N/2 of Section 13 and N/2 of Section 18)
2/5/2020	OXY provides Drilling Title Opinion covering part of Section 18-23S-29E
2/12/2020	NMOCD issues pooling order establishing the Ovation 13 pooled unit and naming Novo as the operator
February 2020 thru June 2020	Novo and OXY negotiates the JOA form in its entirety, and OXY said the JOA would be routed for final management approval and execution
July 2020 thru August 2020	Novo makes multiple attempts to follow up on OXY's status regarding the Ovation 1318 JOA
9/1/2020	Novo informs OXY that it plans to propose 2-mile wells and file pooling applications. Novo tells OXY that it would prefer to execute the JOA that Novo and OXY negotiated. Novo also tells OXY that they are open to any and all deal structures (trade, term assignment, farmout, etc.) to acquire OXY's interest in the N/2 of Section 18.
9/3/2020	Novo makes trade offer to OXY
September 2020	While OXY is processing Novo's trade offer, OXY and Novo discuss other trade ideas where Novo would acquire OXY's interest in the N/2 of Section 18
9/21/2020	Novo sends email reiterates that APDs, well proposals, and AFEs are being prepared for a 2-mile plan across the N/2 of Section 13 and N/2 of Section 18. Novo asks if OXY's technical team has any issues with Novo's proposed development plan (3 wells per half-section in the 3rd BS and Wolfcamp targets).
10/15/2020	Novo reiterates that Novo will send well proposals and AFEs for 2-mile development across the N/2 of Section 13 and N/2 of Section 18. Novo also reiterates its desire to execute a JOA and/or do another deal with OXY to acquire OXY's interest.
10/22/2020	Novo sends well proposals and AFEs for 2-mile wells across N/2 of Section 13 and N/2 of Section 18
10/23/2020	OXY asks for digital copies of the AFEs and well proposals for Novo's 2-mile plan
10/26/2020	Novo provides digital copies of the AFEs and well proposals for Novo's 2-mile plan
11/2/2020	OXY makes trade counteroffer to Novo
11/9/2020	Novo makes offer to purchase OXY's interest in N/2 of Section 18

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21092,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21549

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21093,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21550

**AFFIDAVIT OF MICHAEL HALE
IN SUPPORT OF CASE NOS. 21549 AND 21550**

Michael Hale, of lawful age and being first duly sworn, declares as follows:

1. My name is Michael Hale. I work for Novo Oil & Gas Northern Delaware, LLC (“Novo”) as Vice President of Geoscience and Exploration.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Novo in **Case Nos. 21549** and **21550**, and I have conducted a geologic study of the lands in the subject areas.
4. **Novo Exhibit D-1** is a 3-D Block Diagram reflecting Novo’s intended development of the Bone Spring and Wolfcamp formations in Sections 13 and 18.
5. In Case No. 21549, Novo is targeting the Bone Spring formation.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550

6. **Novo Exhibit D-2** is a subsea structure map that I prepared off the top of the Third Bone Spring Sand formation, which Novo intends to develop with its **Ovation Fed Com 1318 #131H Well, Ovation Fed Com 1318 #132H Well, and Ovation Fed Com 1318 #135H Well**. The structure map with a contour interval of 25 feet shows the Bone Spring is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

7. In **Case No. 21550**, Novo is targeting the Wolfcamp formation.

8. **Novo Exhibit D-3** is a subsea structure map that I prepared off the top of the Wolfcamp XY formation with a contour interval of 25 feet. The map reflects the proposed **Ovation Fed Com 1318 #211H Well, Ovation Fed Com 1318 #212H Well, Ovation Fed Com 1318 #215H Well**. The structure map shows the Wolfcamp XY is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

9. **Novo Exhibit D-4** is a subsea structure map that I prepared off the top of the Wolfcamp A formation with a contour interval of 25 feet. The map reflects the proposed **Ovation Fed Com 1318 #221H Well, Ovation Fed Com 1318 #222H Well, and Ovation Fed Com 1318 #225H Well**. The structure map shows the Wolfcamp A is gently dipping to the east. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

10. **Novo Exhibit D-5** is a subsea structure map that I prepared off the top of the Wolfcamp B formation with a contour interval of 25 feet. The map reflects the proposed **Ovation Fed Com 1318 #231H Well, Ovation Fed Com 1318 #232H Well, and Ovation Fed Com 1318 #235H Well**. The structure map shows the Wolfcamp B is gently dipping to the east. The

structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

11. **Novo Exhibit D-6** is a stratigraphic cross-section that I prepared displaying open-hole logs from three representative wells denoted from A to A'. **Novo Exhibit B-7** also includes an insert on the bottom left-hand corner that shows the location of the wells used to create the stratigraphic cross-section on **Novo Exhibit D-6**. These three wells from A to A' are representative of the geology in the area. For each well in the cross-section, the exhibit shows the following logs: gamma ray, resistivity, and porosity. The proposed target intervals in the Third Bone Spring, Wolfcamp XY, Wolfcamp A, and Wolfcamp B are labeled and marked on the exhibit. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring and Wolfcamp formations, are consistent in thickness, across the entire proposed spacing units.

12. In my opinion, each tract comprising the proposed horizontal spacing units in **Case Nos. 21549** and **21550** will be productive and contribute more-or-less equally to production from each wellbore.

13. In my opinion, the granting of Novo's applications in these cases is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

14. Novo Exhibits D-1 through D-6 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.



MICHAEL HALE

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

SUBSCRIBED and SWORN to before me this 30th day of Nov. 2020
by Michael Hale.



Justin Carter
NOTARY PUBLIC

My Commission Expires:

5/22/2024

Novo Development Plan: Ovation Fed Com 1318 Units

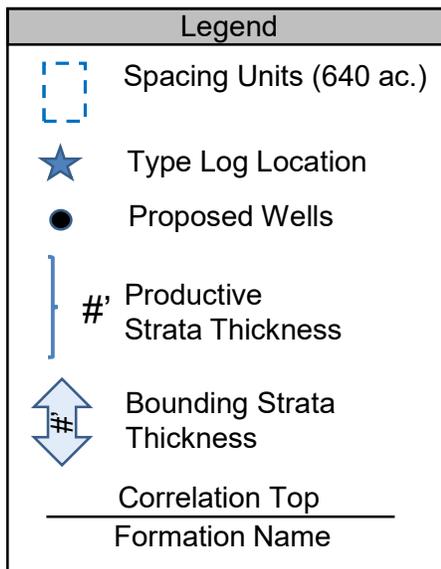
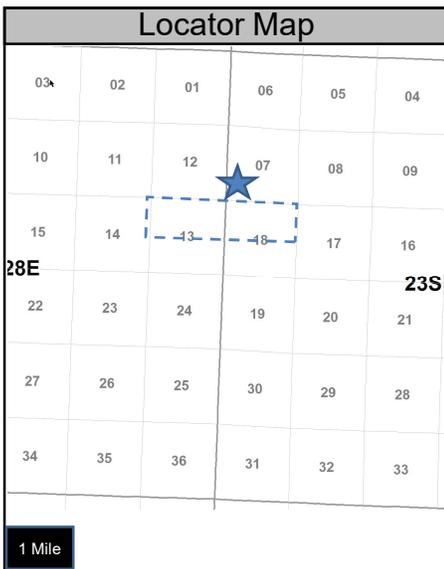
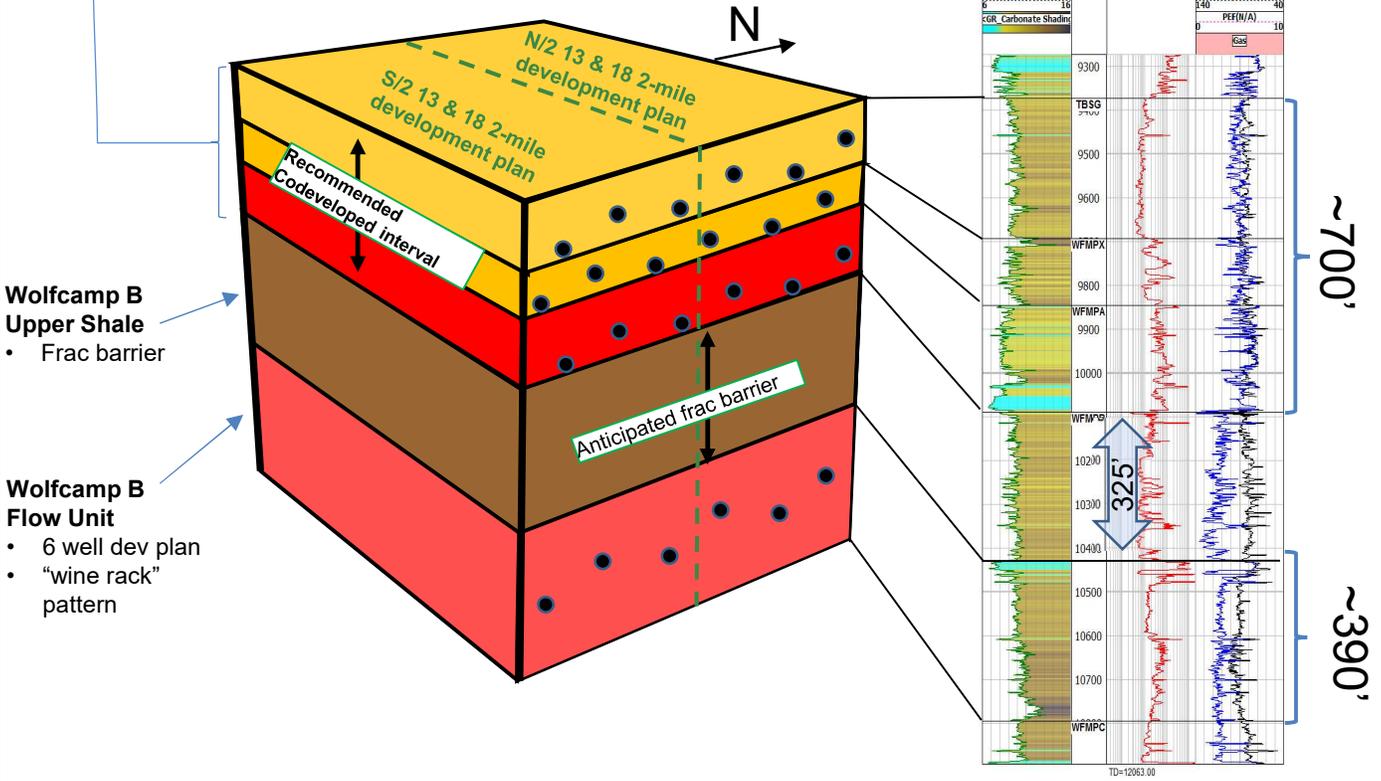
Sections 013-23S-28E and 18-23S-29E



3-D Block Diagram

Third Bone Sand/Wolfcamp XY/Wolfcamp A

- Potential 6 well dev plan per horizon
- “wine rack” pattern
- All intervals should be codeveloped to prevent future operational issues



Novo Oil & Gas Northern Delaware, LLC

Docket Number:

Case Number:

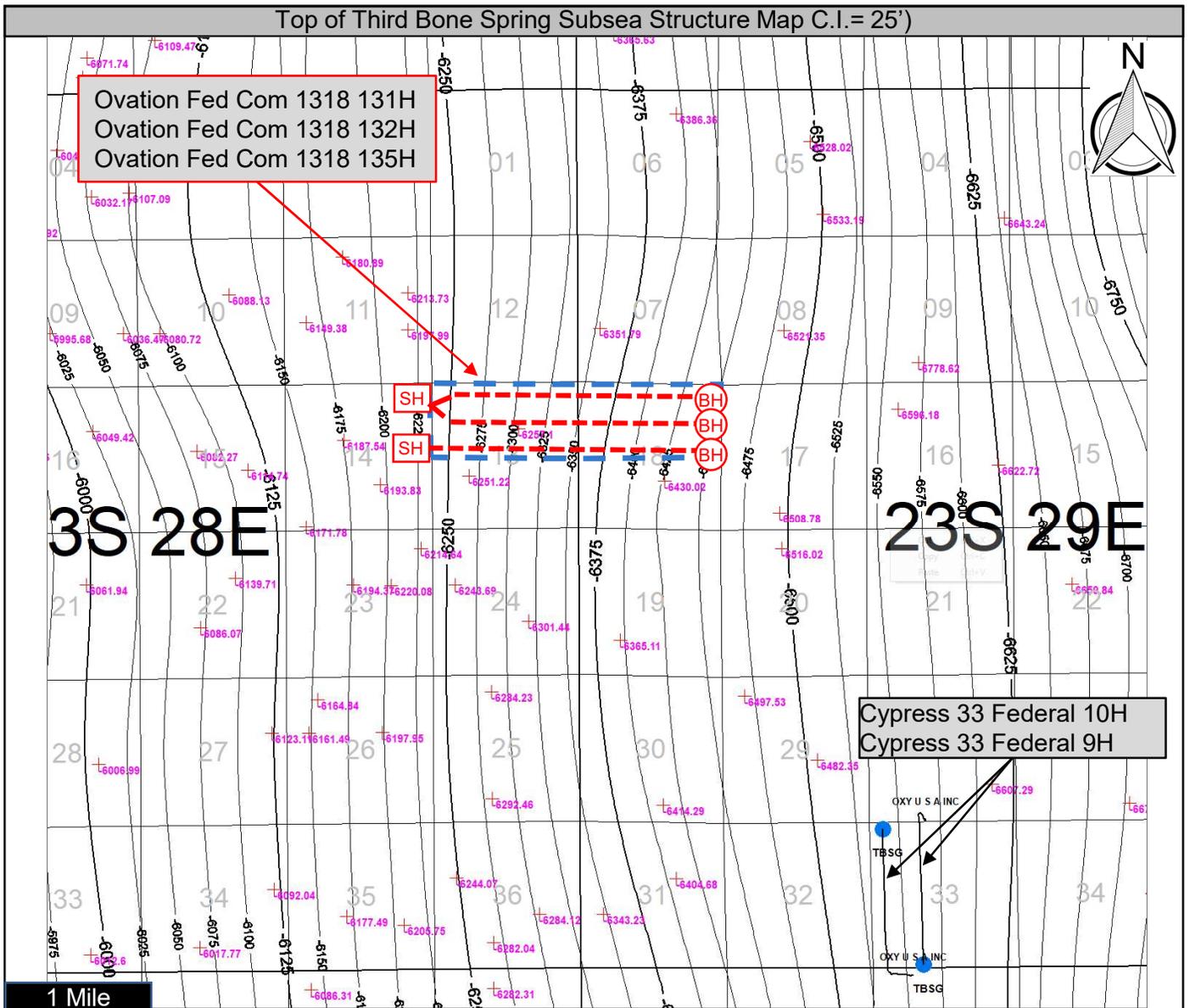
Date:

Exhibit Number:

Ovation Fed Com 1318: Top of Third Bone Spring Structure Map



Third Bone Spring Proposed Locations; Sections 13-23S-28E and 18-23S-29E



Map Legend	
	Spacing Units (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Horizontal Landing Target
	Third Bone Spring Producer
	Datum value
	Third Bone Spring Subsea Structure
	Contour line – interval 25'

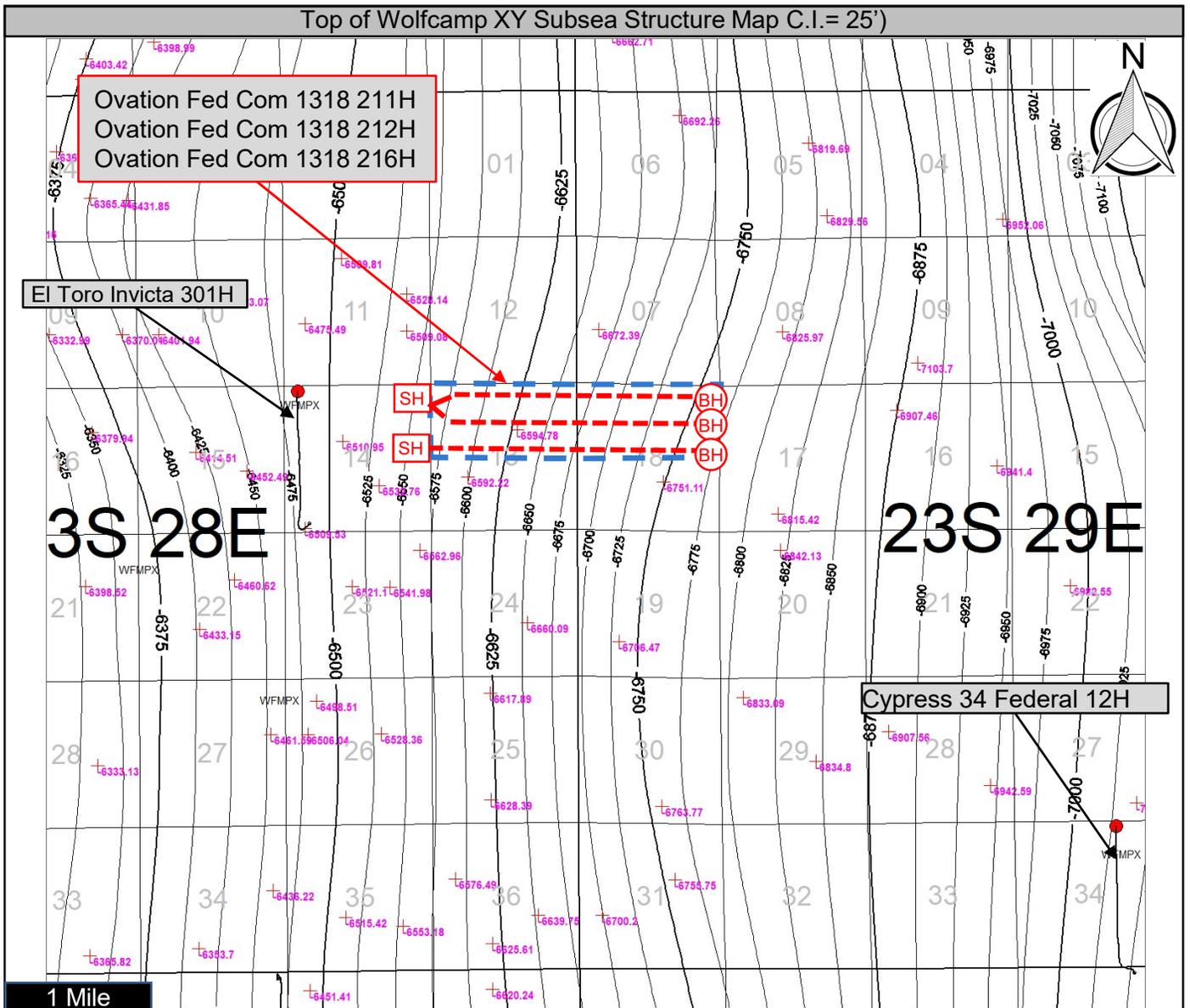
Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number: Date:
Exhibit Number:

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), November 17, 2020

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
Exhibit No. D2
 Submitted by: **Novo Oil & Gas Northern Delaware LLC**
 Hearing Date: December 3, 2020
 Case Nos. 21549-21550

Ovation Fed Com 1318: Top of Wolfcamp XY Structure Map

Wolfcamp XY Proposed Locations; Section 13-23S-28E and 18-23S-29E

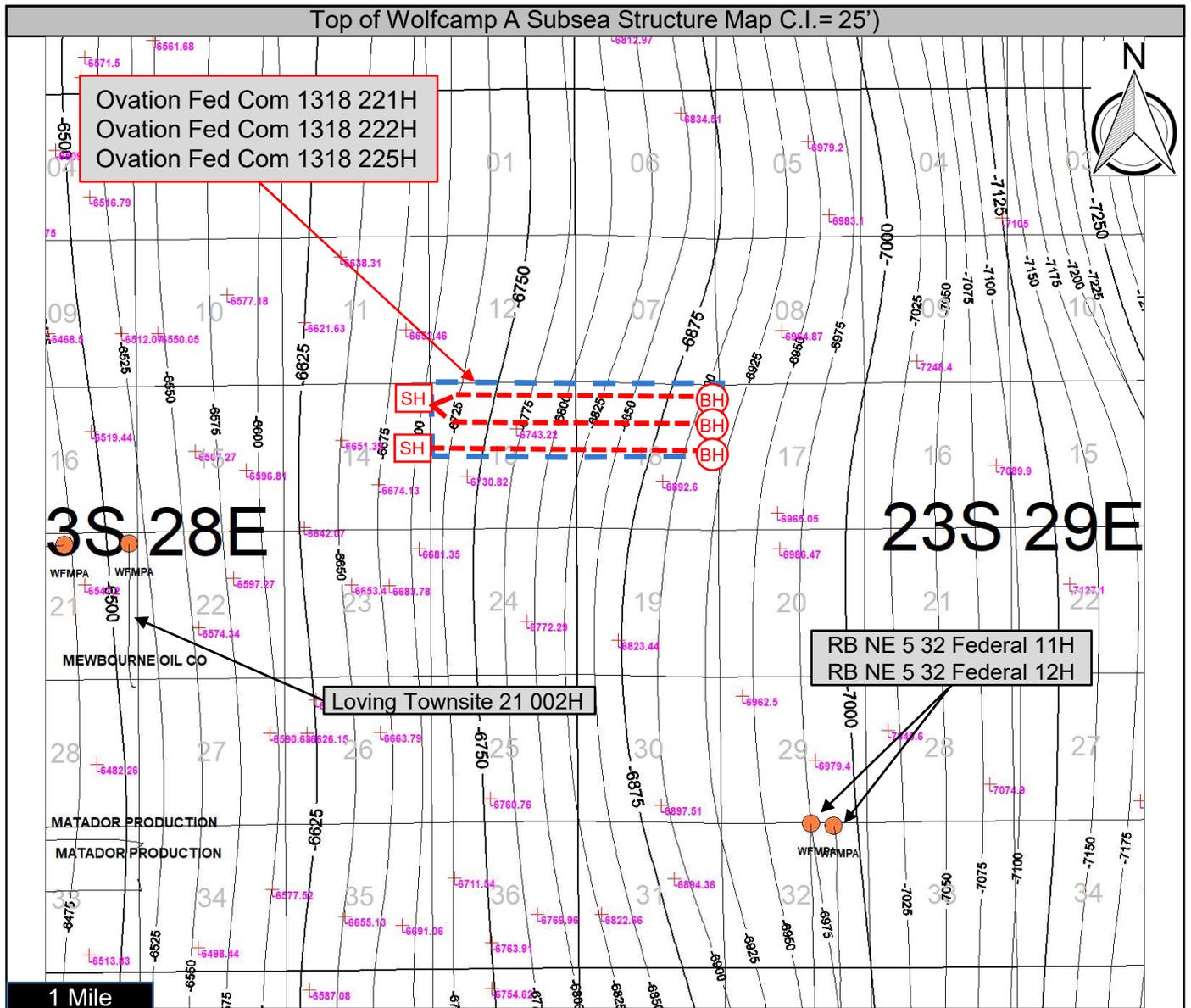


Map Legend	
	Spacing Units (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Horizontal Landing Target
	Wolfcamp XY Producer
	Datum value
	Wolfcamp XY Subsea Structure Contour line – interval 25'

Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number: Date:
Exhibit Number:

Ovation Fed Com 1318: Top of Wolfcamp A Structure Map

Wolfcamp A Proposed Locations; Section 13-23S-28E and 18-23S-29E

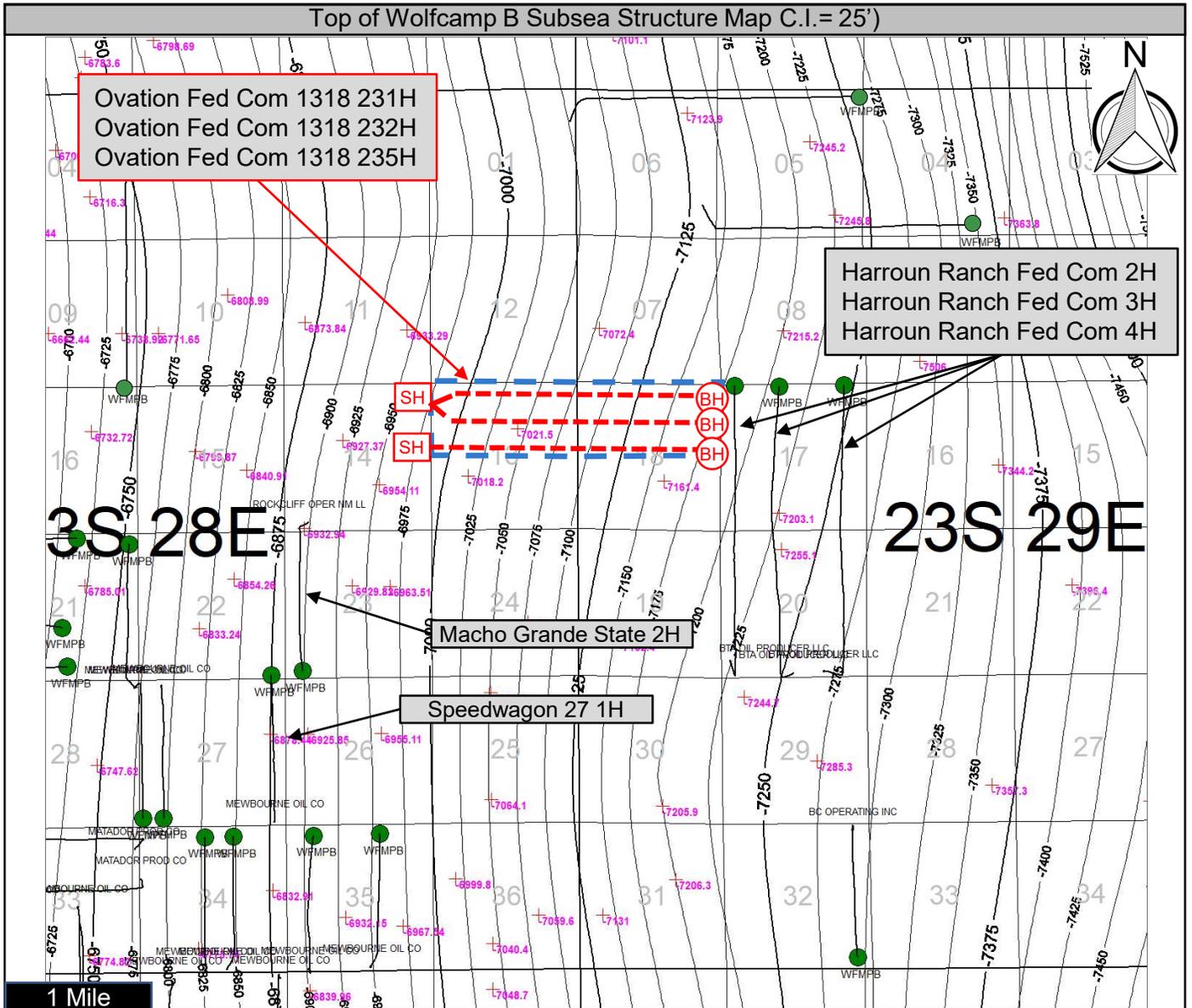


Map Legend	
	Spacing Units (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Wolfcamp A Producer
	Datum value
	Wolfcamp A Subsea Structure Contour line – interval 25'
	WFMPA Horizontal Landing Target

Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number: Date:
Exhibit Number:

Ovation Fed Com 1318: Top of Wolfcamp B Structure Map

Wolfcamp B Proposed Locations; Section 13-23S-28E and 18-23S-29E



Map Legend	
	Spacing Units (640 ac.)
	Surface Hole Location
	Novo Horizontal Location
	Bottom Hole Location
	Horizontal Landing Target
	Wolfcamp B Producer
	Datum value
	Wolfcamp B Subsea Structure Contour line – interval 25'

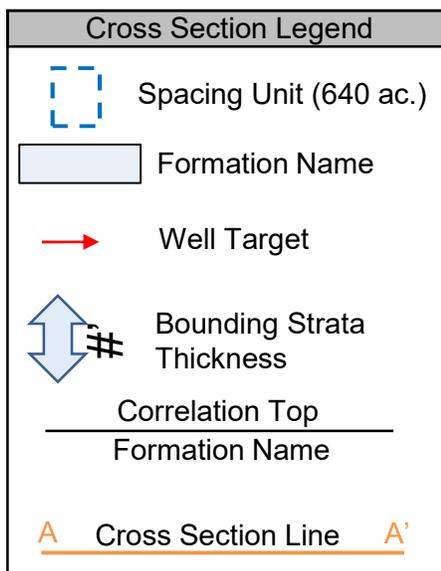
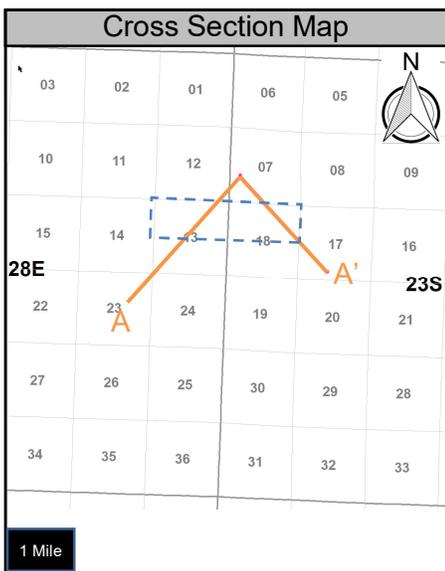
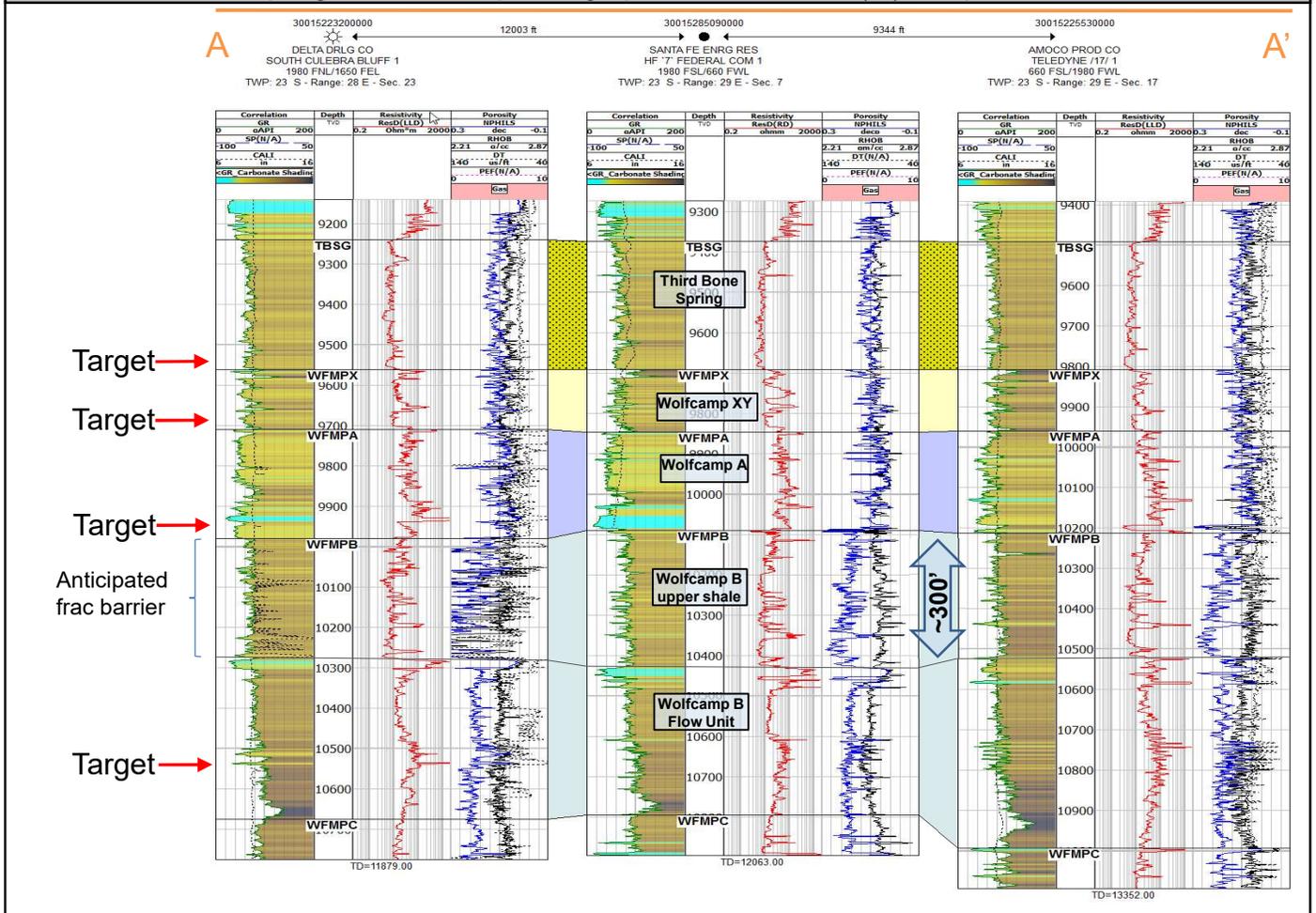
Hearing Details
Novo Oil & Gas Northern Delaware, LLC
Docket Number:
Case Number: Date:
Exhibit Number:

Ovation Fed Com 1318– Third Bone Spring and Wolfcamp Stratigraphic Cross Section



Third Bone Spring, Wolfcamp XY, Wolfcamp A and Wolfcamp B Proposed Location, Section 013-23S-28E

Third Bone Spring and Wolfcamp Stratigraphic Cross Section (Ft) – Top of WFMPX Datum



Novo Oil & Gas Northern Delaware, LLC

Docket Number:
Case Number:
Date:
Exhibit Number:

A. Exhibit Created by: Michael E. Hale (NOVO VP- Exploration), November 17, 2020

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21092,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21549

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE LLC
TO AMEND ORDER R-21093,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 21550

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Kaitlyn A. Luck, attorney in fact and authorized representative of Novo Oil & Gas Northern Delaware LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.



Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 23rd day of November, 2020 by Kaitlyn A. Luck.



Notary Public

My Commission Expires:

January 28, 2023

BEFORE THE OIL CONSERVATION DIVISION

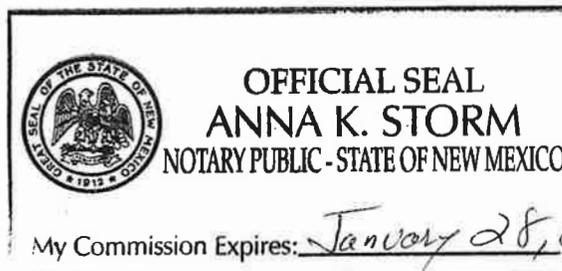
Santa Fe, New Mexico

Exhibit No. E

Submitted by: Novo Oil & Gas Northern Delaware LLC

Hearing Date: December 3, 2020

Case Nos. 21549-21550





Michael H. Feldewert
Phone (505) 988-4421
Fax (505) 983-6043
mfeldewert@hollanhart.com

November 13, 2020

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware LLC to amend Order R-21092, Eddy County, New Mexico
Ovation Fed Com 1318 #131H, #132H, #135H Wells

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 3, 2020, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>.

During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 3, 2020 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from subsequently challenging this matter. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-Hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all 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 are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Larry Patrick, at (405) 286-3405 or LPatrick@novoog.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael H. Feldewert".

Michael H. Feldewert
ATTORNEY FOR NOVO OIL & GAS NORTHERN
DELAWARE LLC

November 13, 2020

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL POOLED PARTIES

Re: Application of Novo Oil & Gas Northern Delaware LLC to amend Order R-21093, Eddy County, New Mexico.
Ovation Fed Com 1318 #211H, #212H, #215H, #221H, #222H, #225H, #231H, #232H, #235H Wells

Ladies & Gentlemen:

This letter is to advise you that Novo Oil & Gas Northern Delaware, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 3, 2020, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>.

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If you have any questions about this matter, please contact Larry Patrick, at (405) 286-3405 or LPatrick@novooil.com.

Sincerely,



Michael H. Feldewert
ATTORNEY FOR NOVO OIL & GAS NORTHERN
DELAWARE LLC

Novo - Ovation Wells Ammended Applications Case Nos. 21549-21550 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765826920574	John Lawrence Thoma, Trustee of The Cornerstone Family Trust	PO Box 17656	Golden	CO	80402-6027	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765826928266	Crownrock Minerals, LP	PO Box 51933	Midland	TX	79710-1933	Your item was delivered at 12:13 pm on November 18, 2020 in MIDLAND, TX 79705.
9414811898765826928297	The Allar Company	PO Box 1567	Graham	TX	76450-7567	Your item was delivered at 10:28 am on November 17, 2020 in GRAHAM, TX 76450.
9414811898765826928235	HH&P Energy, LLC	PO Box 687	Graham	TX	76450-0687	Your item was delivered at 1:18 pm on November 17, 2020 in GRAHAM, TX 76450.
9414811898765826928815	MCM Permian, LLC	PO Box 1540	Midland	TX	79702-1540	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765826928860	Occidental Permian Limited Partnership, Attn Courtney Carr	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on November 17, 2020 at 10:31 am.
9414811898765826928808	OXY USA Inc., Attn Courtney Carr	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on November 17, 2020 at 10:31 am.

Affidavit of Publication

Ad # 0004468028

This is not an invoice

HOLLAND & HART
POBOX 2208

SANTA FE, NM 87504

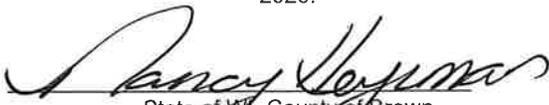
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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:

11/17/2020



Legal Clerk

Subscribed and sworn before me this November 17,
2020:



State of WI, County of Brown
NOTARY PUBLIC
5.15.23

My commission expires

NANCY HEYRMAN
Notary Public
State of Wisconsin

Ad # 0004468028
PO #: Ovation 131H
of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: **Novo Oil & Gas Northern Delaware LLC**
Hearing Date: December 3, 2020
Case Nos. 21549-21550

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, December 3, 2020, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **November 23, 2020**.

Persons may view and participate in the hearings through the following link and as indicated below:
<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ec97b56813f60ba7489b2ffd641268714>
Event number: 146 523 3652
Event password: pMmKMtff654
Join by video: 1465233652@nmemnrd.webex.com
Numeric Password: 834052
You can also dial 173.243.2.68 and enter your meeting number
Join by audio: 1-844-992-4726 United States Toll Free
Access code: 146 523 3652.

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: John Lawrence Thoma, Trustee of the Cornerstone Family Trust; Crownrock Minerals, LP; The Allar Company; HH&P Energy, LLC; MCM Permian, LLC; Occidental Permian Limited Partnership; and OXY USA Inc.

Case No. 21549: Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21092, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-21092 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. The amended horizontal spacing unit will be pooled under the terms of Order R-21092 and dedicated to these proposed initial wells:

- The **Ovation Fed Com 1318 #131H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18;
- The **Ovation Fed Com 1318 #132H Well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
- The **Ovation Fed Com 1318 #135H Well** to be horizontally drilled from a surface location in the E/2 NE/4 of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18.

The completed interval for the **Ovation Fed Com 1318 #132H Well** will remain within 330 feet of the N/2 N/2 of Sections 13 and 18 to allow inclusion of these proximity tracts in a standard 635.4-acre horizontal well spacing comprised of the N/2 of Sections 13 and 18. Said area is located approximately 3 miles east of Loving, New Mexico.
#4468028, Current Argus, Nov. 17, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, December 3, 2020, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **November 23, 2020**.

Persons may view and participate in the hearings through the following link and as indicated below:
<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ec97b56813f60ba7489b2ffd641268714>
Event number: 146 523 3652
Event password: pMmKMtff654
Join by video: 1465233652@nmemnrd.webex.com
Numeric Password: 834052
You can also dial 173.243.2.68 and enter your meeting number
Join by audio: 1-844-992-4726 United States Toll Free
Access code: 146 523 3652

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: John Lawrence Thoma, Trustee of the Cornerstone Family Trust; Crownrock Minerals, LP; The Allar Company; HH&P Energy, LLC; MCM Permian, LLC; Occidental Permian Limited Partnership; and OXY USA Inc.

Case No. 21550: Application of Novo Oil & Gas Northern Delaware, LLC to amend Order R-21093, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order R-21093 to allow for a standard 635.4-acre, more or less, horizontal spacing unit comprised of the N/2 of Section 13, Township 23 South, Range 28 East, and Lots 1-2, E/2 NW/4 and the NE/4 (N/2 equivalent) of irregular Section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. This horizontal spacing unit will be pooled under the terms of Order R-21093 and dedicated to these proposed initial wells:

- The Ovation Fed Com 1318 #211H Well, the Ovation Fed Com 1318 #212H Well, the Ovation Fed Com 1318 #221H Well, the Ovation Fed Com 1318 #231H Well, and the Ovation Fed Com 1318 #232H Well, each will be horizontally drilled from a common surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18;
- The Ovation Fed Com 1318 #222H Well will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 14, T23S, R28E, to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 18; and
- The Ovation Fed Com 1318 #215H Well, the Ovation Fed Com 1318 #225H Well, and the Ovation Fed Com 1318 #235H Well each will be horizontally drilled from a common surface location in the E/2 NE/4 of Section 14, T23S, R28E, to bottom hole locations in the SE/4 NE/4 (Unit H) of Section 18.

Said area is located approximately 3 miles east of Loving, New Mexico.

#4468028, Current Argus, Nov. 17, 2020