

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

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

CASE NO. 20816

MOTION FOR CONTINUANCE

Titus Oil & Gas, LLC, on behalf of Titus Oil & Gas Production, LLC (“Titus”), requests that the hearing on the above-referenced Application, currently on the October 3, 2019 docket, be continued to a special hearing date after November 14 or, if not, to the January 23, 2020 continued case docket.

Titus is owner of an interest in these proposed wells, as well as those proposed by Novo Oil & Gas Northern Delaware, LLC (“Novo”) in Case Nos. 20815 and 20817, and has competing proposals for the wells proposed in all of Novo’s cases. Titus’s applications will be filed shortly, with a request for hearing on the November 14, 2019 docket.

In this Application and Novo’s related applications in Case Nos. 20815 and 20817, Novo proposes a total of 15 wells to develop the west half of Sections 10 and 15. Novo’s combined proposals will result in unnecessary over-development, thereby causing economic loss, waste, and augmentation of risks arising from drilling an excessive number of wells. *See* NMSA 1978, § 70-2-17(B). Additionally, Novo’s proposed Saturninus Fed Com 1510 #111H and #112H bisect an already existing First Bone Spring horizontal well, the USP Fee 3 (API# 300-15-37948). Moreover, Novo’s AFEs are highly questionable and need further review – for example, (i) although all of the wells share a surface location, the First and Second Bone Spring wells in the E/2 W/2 are ~\$1.5 million more expensive than First and Second Bone Spring wells in the

W/2 W/2 (the wells appear to be the same in all other respects), (ii) Novo's First Bone Spring and Third Bone Spring wells have the same capital estimate but the Third Bone Spring wells are ~2,000 feet deeper in the vertical section, and (iii) all nine (9) of Novo's Wolfcamp wells show the same capital cost but the Wolfcamp B wells are ~1,000 feet deeper than the Wolfcamp XY wells in the vertical section. Finally, Novo failed to negotiate in good faith to reach a voluntary agreement, prior to filing the Application.

In light of the foregoing, Titus requests this continuance so that all of the competing proposals may be heard at the same time. Titus is filing similar motions for continuance in Applicants' Case Nos. 20815 and 20817. This motion is opposed by Applicant and by Chevron U.S.A.

WHEREFORE, Titus requests that the Division continue this case to a special hearing date after November 14, 2019 or, if not, to January 23, 2020.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following
counsel by electronic mail on September 26, 2019:

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