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

APPLICATION OF NOVO OIL AND GAS NORTHERN JAN 03 2013 PAOS:21 DELAWARE, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20184

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

CASE NO. 20185

NOVO'S CONSOLIDATED PRE-HEARING STATEMENT

Novo Oil and Gas Northern Delaware, LLC ("Novo") (OGRID No. 372920), the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Novo Oil and Gas Northern Delaware, LLC 1001 West Wilshire Blvd, Suite 206 Oklahoma City, OK 73116

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In Case No. 20184, Novo seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 320-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 4, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Novo seeks to dedicate the above-referenced horizontal spacing unit to its proposed **Goonch Fed Com 04 No. 211H Well,** which will be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 4. The completed interval for this well will remain within the 330-foot setbacks required by the Special Rules for the Purple Sage Wolfcamp Gas Pool set forth in Order No. R-14262.

In Case No. 20185, Novo seeks an order pooling all uncommitted interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 4 and the E/2 of Section 9, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Novo seeks to dedicate the above-referenced horizontal spacing unit to its proposed **Goonch Fed Com 0409 No. 214H Well,** which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 33, Township 22 South, Range 28 East, to a standard bottom hole location in the SE/4 SE/4 (Unit P) of Section 9, Township 23 South, Range 28 East. The completed interval for this well will remain within the 330-foot setbacks required by the Special Rules for the Purple Sage Wolfcamp Gas Pool set forth in Order No. R-14262.

APPLICANT'S PROPOSED EVIDENCE

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|----------------------------|----------------|-----------|
| Brandon Patrick, Landman | Approx. 15 | Approx. 8 |

PROCEDURAL MATTERS

Applicant intends to present Case Nos. 20184 and 20185 by affidavit.

Respectfully submitted,

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