

**ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

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

CASE NO. \_\_\_\_\_

**APPLICATION**

Novo Oil & Gas Northern Delaware, LLC (“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, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 475.76-acre, more or less, horizontal well spacing unit comprised of the E/2 of Section 18 and SE/4 of 7, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant proposes to initially dedicate the above referenced spacing unit to the following proposed wells, all of which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 18:
  - **Caicos Fee 1807 222H** and **Caicos Fee 1807 233H** wells to be horizontally drilled to bottom hole locations in the NW/4 NE/4 (Unit B) of Section 7; and
  - **Caicos Fee 1807 213H**, **Caicos Fee 1807 234H** and **Caicos Fee 1807 223H** wells to be horizontally drilled to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 7.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.

4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow the recovery of Applicant's just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the horizontal spacing unit should be pooled and Applicant should be designated the operator of this proposed horizontal well spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 7, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Paula M. Vance  
Post Office Box 2208  
Santa Fe, NM 87504  
505-998-4421  
505-983-6043 Facsimile  
mfeldewert@hollandhart.com  
arankin@hollandhart.com  
jbroggi@hollandhart.com  
pmvance@hollandhart.com

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