

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

APPLICATIONS OF NOVO OIL
& GAS NORTHERN DELAWARE,
TO AMEND ORDER NOS. R-22410. R-22411,
EDDY COUNTY, NEW MEXICO.

CASE NOS. 23805 & 23806
ORDER NOS. R-22410;
R-22411; R-22411-A
(Amend)

NOTICE OF SUPPLEMENTAL EXHIBIT

As requested by the Oil Conservation Division at the October 5, 2023 hearing, Novo Oil & Gas Northern Delaware, LLC is submitting the Supplemental Self-Affirmed Statement of Peter Schmidt to provide further information regarding the request for extensions of time on the deadlines to commence drilling.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Earl E. DeBrine, Jr.

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SUPPLEMENTAL SELF-AFFIRMED DELCARATION

Peter Schmidt hereby states and declares as follows:

1. I am over the age of 18, I am a land professional for Novo Oil & Gas Northern Delaware, LLC (“Novo”) and I have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and I have been qualified by the Division as an expert petroleum landman and provided a declaration in support of Novo’s application in these cases.

2. At the October 5, 2023 hearing the Division requested that Novo provide additional information regarding their request for an extension of time for the deadline to commence drilling the initial wells under Order Nos. 22410 and 22411.

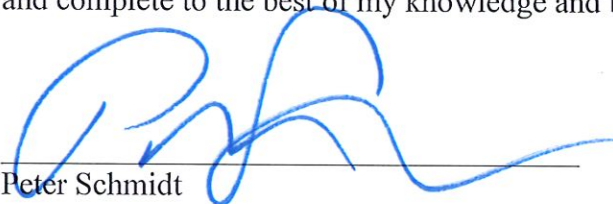
3. Good cause exists to grant the extension of time in the above referenced matters because: (1) this is Novo’s first request for an extension of time; (2) Novo’s planned schedule for drilling the initial wells authorized by Order Nos. R-22410 and R-22411 (“Orders”) was disrupted and delayed during a due diligence period after Earthstone Energy, Inc. and Novo’s parent, Novo Oil & Gas Holdings, LLC (“Novo Holdings”) announced a transaction by which Earthstone and another company were acquiring Novo Holdings. The transaction has resulted in an adjustment of personnel, planning for development and changes in drilling schedule necessitating Novo’s request

for an extension of time for commencement of drilling in these cases. Novo now plans to commence drilling the wells under the Orders in the second half of 2024.

4. No opposition has been raised to Novo's applications and in my opinion, the granting of this application is in the interests of conservation, the protection of correlative rights, and the prevention of waste.

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: October 18, 2023


Peter Schmidt