APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 24339 ORDER NO. R-22622

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Mason Maxwell
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22622
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Notice Letters to All Interested Parties
B-2	Chart of Notice to All Interested Parties
B-3	Copies of Certified Mail Receipts and Returns
B-4	Affidavit of Publication for March 17, 2024

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 24339 ORDER NO. R-22622

SELF-AFFIRMED STATEMENT OF MASON MAXWELL

- 1. I am a Landman for Permian Resources Operating, LLC ("Permian Resources"), which recently acquired Novo Oil & Gas Northern Delaware, LLC ("Novo"). I am over 18 years of age and have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum land matters were accepted. I am familiar with the above-referenced application and the matters involved.
- Copies of the Application and Proposed Hearing Notice are attached as Exhibit A
 1.
- 3. The Division entered Order No. R-22622 in Case No. 23210 on April 13, 2023, approving a 720-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 9 and 16, and the N/2 NW/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"), and designating Novo as operator of the Unit.
- 4. The Order further pooled all uncommitted interests within the Bone Spring formation in the Hackberry, Bone Spring Pool (Code 29345) underlying the Unit and dedicated the Unit to the Tickety Boo Fed Com 2109 121H, Tickety Boo Fed Com 2109 122H, Tickety Boo Fed Com 2109 132H, and

Novo Oil & Gas Northern Delaware, LLC Case No. 24339 Exhibit A Tickety Boo Fed Com 2109 133H wells ("Wells"). A copy of the Order is attached as Exhibit A-

2.

5. Paragraph 19 of the Order requires Novo to commence drilling the Wells within

one (1) year of the date of the Order unless Novo obtains a time extension from the Division

Director for good cause shown.

5. Novo's overall development plans in the immediate area of the Wells would be best

served by co-developing the Wells with adjacent lands to prevent waste (i.e. parent-child effects),

and federal drilling permits for wells in the adjacent tracts have been delayed. These delays have

impacted Novo's ability to commence drilling the Wells. Therefore, good cause exists for the

requested extension.

6. Accordingly, Novo requests that the Division extend the deadline to commence

drilling the Wells to April 13, 2025.

7. Novo further requests the other provisions of the Order remain in force and effect.

8. Novo is in good standing under the statewide rules and regulations.

9. In my opinion, the granting of Novo's application would best serve the interests of

conservation, the protection of correlative rights, and the prevention of waste.

10. The attached exhibits were compiled from company business records.

11. I understand this Self-Affirmed Statement will be used as written testimony in the

subject cases. I affirm that my testimony above is true and correct and is made under penalty of

perjury under the laws of the State of New Mexico. My testimony is made as of the date

handwritten next to my signature below.

Vaxmeell

Mason Maxwell

03/27/2024

Date

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

Case No. 24339 Order No. R-22622

APPLICATION

Novo Oil & Gas Northern Delaware, LLC ("Novo") (OGRID No. 372920) files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling the wells authorized by Order No. R-22622. In support of its application, Novo states the following.

- 1. The Division issued Order No. R-22622 in Case No. 23210 on April 13, 2023, approving a 720-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 9 and 16, and the N/2 NW/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"), and designating Novo as operator of the Unit.
- 2. The Order further pooled all uncommitted interests within the Bone Spring formation in the Hackberry, Bone Spring Pool (Code 29345) underlying the Unit and dedicated the Unit to the Tickety Boo Fed Com 2109 121H, Tickety Boo Fed Com 2109 122H, Tickety Boo Fed Com 2109 131H, Tickety Boo Fed Com 2109 132H, and Tickety Boo Fed Com 2109 133H wells (collectively "Wells").
- 3. The Order requires Novo to commence drilling the Wells within one (1) year of the date of the Order unless Novo obtains a time extension from the Division Director for good cause shown.

Novo Oil & Gas Northern Delaware, LLC Case No. 24339 Exhibit A-1

- 4. Novo's overall development plans in the immediate area would be best served by co-developing the Wells with adjacent lands to prevent waste, and federal drilling permits for wells in the adjacent tracts have been delayed. These delays have impacted Novo's ability to commence drilling the Wells.
 - 5. Good cause exists for the requested extension.
- 6. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells to April 13, 2025.

WHEREFORE, Novo requests that this application be set for hearing on April 4, 2024, and after notice and hearing, the Division extend the deadline for Novo to commence drilling the Wells until April 13, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

Counsel for Novo Oil & Gas Northern Delaware, LLC

Application of Novo Oil & Gas Northern Delaware, LLC to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Novo Oil & Gas Northern Delaware, LLC ("Novo") requests a one-year extension of time to commence drilling the wells authorized by Order No. R-22622. Order No. R-22622 pooled all uncommitted interests within the Bone Spring formation underlying a 720-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 9 and 16, and the N/2 NW/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"); designated Novo as operator of the Unit; and dedicated the Unit to the Tickety Boo Fed Com 2109 121H, Tickety Boo Fed Com 2109 122H, Tickety Boo Fed Com 2109 123H, Tickety Boo Fed Com 2109 131H, Tickety Boo Fed Com 2109 132H, and Tickety Boo Fed Com 2109 133H wells ("Wells"). The Order requires Novo to commence drilling the Wells within one year of the date of the Order. Novo requests that the Division extend the deadline to commence drilling the Wells until April 13, 2025 due to delays in the issuance of federal drilling permits that have impacted the development. The wells are located approximately 22 miles northwest of Carlsbad, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY NOVO OIL & GAS NORTHERN DELAWARE, LLC

CASE NO. 23210 ORDER NO. R-22622

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 02, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Novo Oil & Gas Northern Delaware, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the

Novo Oil & Gas Northern Delaware, LLC Case No. 24339 Exhibit A-2

- depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 23210 ORDER NO. R-22622

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well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

Date: 4/13/23

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DYLÄN MFUGE DIRECTOR (ACTING)

DMF/hat

Exhibit A

ALL INFORMATION IN THE APPLICATION MUS	T BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23210	APPLICANT'S RESPONSE	
Date: January 19, 2023		
Applicant	Novo Oil & Gas Northern Delaware, LLC	
Designated Operator & OGRID (affiliation if applicable)	Novo Oil & Gas Northern Delaware, LLC (372920)	
	Modrall, Sperling, Roehl, Harris & Sisk, P.A. (Earl E.	
Applicant's Counsel:	DeBrine, Jr. and Deana M. Bennett)	
Case Title:	Application of Novo Oil & Gas Northern Delaware, LLC for Compulsory Pooling, Eddy County, New Mexico	
Entries of Appearance/Intervenors:		
	Yates Energy Corporation Matthew M. Beck	
	PEIFER, HANSON, MULLINS & BAKER, P.A.	
	P.O. Box 25245	
	Albuquerque, NM 87125-5245	
	(505) 247-4800 mbeck@peiferlaw.com	
	MRC Delaware Resources, LLC	
	Michael H. Feldewert	
	Adam G. Rankin	
	Julia Broggi Paula M. Vance	
	HOLLAND & HART, LLP	
	Post Office Box 2208	
	Santa Fe, New Mexico 87504	
	TEL: (505) 988-4421 FAX: (505) 983-6043 Facsimile	
	mfeldewert@hollandhart.com	
	agrankin@hollandhart.com	
	jbroggi@hollandhart.com	
	pmvance@hollandhart.com COG Operating LLC	
	Ocean Munds-Dry	
	Elizabeth Ryan	
	Jobediah Rittenhouse	
	CONOCOPHILLIPS 1048 Paseo de Peralta	
	Santa Fe, New Mexico 87501	
	(505) 780-8000	
	ocean.munds-dry@conocophillips.com	
	beth.ryan@conocophillips.com joby.rittenhouse@conocophillips.com	
Well Family	Tickety Boo Fed Com 2109	
i A	OCD Examiner Hearing 1-19-23	

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Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	HACKBERRY, BONE SPRING (Pool Code 29345)
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	720 acres
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2 of Sections 9 and 16, and the N/2 NW/4 of Section 21, Township 19 South, Range 30 East, N.M.P.M., Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes, see Exhibit B, para. 11
Proximity Defining Well: if yes, description	Tickety Boo Fed Com 2109 122H and Tickety Boo Fed Com 2109 132H wells
plicant's Ownership in Each Tract Exhibit B.3	
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Tickety Boo Fed Com 2109 121H API: Not yet assigned SHL: 1561 feet from the North line and 1864 feet from the West line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. BHL: 10 feet from the North line and 330 feet from the West line, Section 9, Township 19 South, Range 30 East, NMPM, Eddy County. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit B.2 for C-102.

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Well #2	Tickety Boo Fed Com 2109 122H API: Not yet assigned SHL: 1576 feet from the North line and 1878 feet from the West line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. BHL: 10 feet from the North line and 1320 feet from the West line, Section 9, Township 19 South, Range 30 East, NMPM, Eddy County. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit B.2 for C-102.
Well #3	Tickety Boo Fed Com 2109 123H API: Not yet assigned SHL: 1590 feet from the North line and 1,892 feet from the West line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. BHL: 10 feet from the North line and 2310 feet from the West line, Section 9, Township 19 South, Range 30 East, NMPM, Eddy County. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit B.2 for C-102.
Well #4	Tickety Boo Fed Com 2109 131H API: Not yet assigned SHL: 1649 feet from the North line and 1705 feet from the West line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. BHL: 10 feet from the North line and 330 feet from the West line, Section 9, Township 19 South, Range 30 East, NMPM, Eddy County. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit B.2 for C-102.
Well #5	Tickety Boo Fed Com 2109 132H API: Not yet assigned SHL: 1677 feet from the North line and 1733 feet from the West line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. BHL: 10 feet from the North line and 1320 feet from the West line, Section 9, Township 19 South, Range 30 East, NMPM, Eddy County. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit B.2 for C-102.

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Well #6 Horizontal Well First and Last Take Points	Tickety Boo Fed Com 2109 133H API: Not yet assigned SHL: 1706 feet from the North line and 1760 feet from the West line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. BHL: 10 feet from the North line and 2310 feet from the West line, Section 9, Township 19 South, Range 30 East, NMPM, Eddy County. Completion Target: Bone Spring. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit B.2 for C-102.	
Well #1	Tickety Boo Fed Com 2109 121H FTP: 1220 feet from the North line and 330 feet from the West Line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. LTP: 100 feet from the North line and 330 feet from the West line of Section 9, Township 19 South, Range 30 East, NMPM, Eddy County.	
Well #2	Tickety Boo Fed Com 2109 122H FTP: 1220 feet from the North line and 1320 feet from the West Line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. LTP: 100 feet from the North line and 1320 feet from the West line of Section 9, Township 19 South, Range 30 East, NMPM, Eddy County.	
Well #3	Tickety Boo Fed Com 2109 123H FTP: 1220 feet from the North line and 2310 feet from the West Line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. LTP: 100 feet from the North line and 2310 feet from the West line of Section 9, Township 19 South, Range 30 East, NMPM, Eddy County.	
Well #4	Tickety Boo Fed Com 2109 131H FTP: 1220 feet from the North line and 330 feet from the West Line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. LTP: 100 feet from the North line and 330 feet from the West line of Section 9, Township 19 South, Range 30 East, NMPM, Eddy County.	
Well #5	Tickety Boo Fed Com 2109 132H FTP: 1220 feet from the North line and 1320 feet from the West Line, Section 21, Township 19 South, Range 30 Eas NMPM, Eddy County. LTP: 100 feet from the North line and 1320 feet from the West line of Section 9, Township 19 South, Range 30 Eas NMPM, Eddy County.	

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Well #6	Tickety Boo Fed Com 2109 133H FTP: 1220 feet from the North line and 2310 feet from the West Line, Section 21, Township 19 South, Range 30 East, NMPM, Eddy County. LTP: 100 feet from the North line and 2310 feet from the West line of Section 9, Township 19 South, Range 30 East, NMPM, Eddy County.
Completion Target (Formation, TVD and MD)	
Well #1	Tickety Boo Fed Com 2109 121H Formation: Second Bone Spring TVD: Approximately 8,325' MD: Approximately 20,325'
Well #2	Tickety Boo Fed Com 2109 122H Formation: Second Bone Spring TVD: Approximately 8,350' MD: Approximately 20,350'
Well #3	Tickety Boo Fed Com 2109 123H Formation: Second Bone Spring TVD: Approximately 8,370' MD: Approximately 20,370'
Well #4	Tickety Boo Fed Com 2109 131H Formation: Third Bone Spring TVD: Approximately 9,485' MD: Approximately 21,485'
Well #5	Tickety Boo Fed Com 2109 132H Formation: Third Bone Spring TVD: Approximately 9,510' MD: Approximately 21,510'
Well #6	Tickety Boo Fed Com 2109 133H Formation: Third Bone Spring TVD: Approximately 9,530' MD: Approximately 21,530'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit B, para. 24
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	See Exhibits B.1 and B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3

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If approval of Non-Standard Spacing Unit is requested, Tract I (including lease numbers and owners) of Tracts subject to not	
requirements.	N/A
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6
Cost Estimate to Equip Well	Exhibit B.6
Cost Estimate for Production Facilities	Exhibit B.6
Geology	
Summary (including special considerations)	Exhibits C.2 and C.3
Spacing Unit Schematic	Exhibits C.2 and C.3
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C, para 12; Exhibit C.3
Target Formation	Exhibit C.6
HSU Cross Section	Exhibit C.6
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit B.2
Tracts	Exhibit B.3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.3
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibit C.2
Structure Contour Map - Subsea Depth	Exhibits C.4 and C.5
Cross Section Location Map (including wells)	Exhibit C.6
Cross Section (including Landing Zone) Additional Information	Exhibit C.6
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro-	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Earl E. DeBrine, Jr.
Signed Name (Attorney or Party Representative):	Os.
Date:	Tuesday, January 17, 2023 OCD Examiner Hearing 1-19-23

CASE NO. 23210 ORDER NO. R-22622

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Case No. 23210

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 24339 ORDER NO. R-22622

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

- 1. I am attorney in fact and authorized representative of Permian Resources Operating, LLC, which recently acquired Novo Oil & Gas Northern Delaware, LLC, the Applicant herein.
- 2. I am familiar with the Notice Letter attached as **Exhibit B-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit B-2**.
- 3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.
- 4. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.
- 5. On March 17, 2024, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit B-4**.
- 6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy
Dana S. Hardy

March 26, 2024 Date

Novo Oil & Gas Northern Delaware, LLC Case No. 24339 Exhibit B



HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

March 15, 2024

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO ALL PARTIES ENTITLED TO NOTICE

Case No. 24339 – Application of Novo Oil & Gas Northern Delaware, LLC to Re: Extend Time to Commence Drilling Operations under Order No. R-22622, **Eddy County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on April 4, 2024, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, instructions **OCD** Hearings see the posted on the https://www.emnrd.nm.gov/ocd/hearing-info/. 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 challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing The statement must be submitted through the OCD E-Permitting system (https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/) via e-mail ocd.hearings@emnrd.nm.gov 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.

Please contact Mason Maxwell, New Mexico Landman, Permian Resources at (432) 400-0188, or via email at mason.maxwell@permianres.com if you have any questions about this matter.

Sincerely,

/s/ Dana S. Hardy Dana S. Hardy

Case No. 24339

Exhibit B-1

Enclosure

PO BOX 10 **ROSWELL, NEW MEXICO 88202** (575) 622-6510 FAX (575) 623-9332

7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321

PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

Novo Oil & Gas Northern Delaware, LLC

APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

Case No. 24339 Order No. R-22622

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
EOG Resources, Inc.	03/15/24	03/25/24
5509 Champions Dr.		
Midland, TX 79706		
MCM Permian, LLC	03/15/24	03/21/24
223 W. Wall St, Suite 400		
Midland, TX 79701		
MRC Delaware Resources, LLC	03/15/24	03/25/24
5400 LBJ Freeway, Suite 1500		
Dallas, TX 75240		
Oxy Y-1 Company	03/15/24	03/22/24
5 Greenway Plaza, Suite 110		
Houston, TX 77046		
Sharbro Energy, LLC	03/15/24	03/20/24
P.O. Box 840		
Artesia, NM 88211		
Yates Energy Corporation	03/15/24	03/21/24
400 N. Pennsylvania Ave.		
Roswell, NM 88201		

Novo Oil & Gas Northern Delaware, LLC Case No. 24339 Exhibit B-2

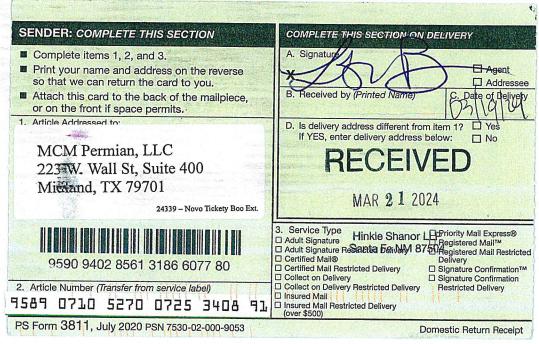
Received by OCD: 4/2/2024 10:42:53 AM





Novo Oil & Gas Northern Delaware, LLC Case No. 24339 Exhibit B-3









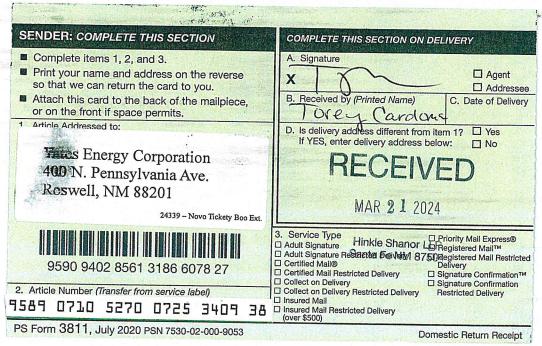
5.52	U.S. Postal Service [™] CERTIFIED MAIL® RECEIPT Domestic Mail Only
340	For delivery information, visit our website at www.usps.com®.
111	Certified Mail Fee
1250	\$
	Extra Services & Fees (check box, add fee as appropriate) Return Receipt (nardcopy) Return Receipt (electronic) Restand
270	Certified Mail Restricted Delivery \$ Postmark
72	Adult Signature Restricted Delivery \$
	\$
0770	Total Postage and Fees
9589 I	Sent To Stre Oxy Y-1 Company 5 Greenway Plaza, Suite 110
	City 24339 – Novo Tickety Boo Ext. PS Form 3800, January 2023 PSN 7530-02-000-9047. See Reverse for Instructions













PO Box 631667 Cincinnati, OH 45263-1667

PROOF OF PUBLICATION

Everett Holmes Hinkle Shanor, Llp Pobox 2068 Santa Fe NM 87504

STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

03/17/2024

and that the fees charged are legal. Sworn to and subscribed before on 03/17/2024

Notary, State of WI, County of Brown

My commission expires

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THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

KATHLEEN ALLEN Notary Public State of Wisconsin

Novo Oil & Gas Northern Delaware, LLC Case No. 24339
Exhibit B-4

This is to notify all interested parties, including Cathleen Ann Adams; Susan Arrott a.k.a. Susan Carol Arrott; Board of Regents of New Mexico Military Institute; Central Southwest Oil Corporation Pension Trust c/o Cathleen Ann Adams; Central Southwest Oil Corporation Pension Trust c/o Susan Arrott; Conquistador Council of Boy Scouts of America Trust Fund; EOG Resources, Inc.; First Presbyterian Church Foundation; Rolla R. Hinkle III; Kansas University Endowment Association; Lazy J Bar Cane, LLC; McM Permian, LLC; McM Permian, LLC; McM Permian, LLC; McM Permian, LLC; Mrec Delaware Resources, LLC; Marbob Energy Corporation; Oxy Y-1 Company; Penasco Petroleum, LLC; PetroYates, Inc.; Sharbro Energy, LLC; University of New Mexico Law School; Yates Brothers; Yates Energy Corporation; ZPZ Delaware I, LLC; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Novo Oil & Gas Northern Delaware, LLC (Case No. 24339). The hearing will be conducted on April 4, 2024 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. Novo Oil & Gas Northern Delaware, LLC ("Novo") requests a one-year extension of time to commence drilling the wells authorized by Order No. R-22622 pooled all uncommitated interests within the Bone Spring formation underlying a 720-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 9 and 16, and the N/2 NW/4 of Section 21, Township 19 South, Range 30 Fed Com 2109 121H, Tickety Boo Fed Com 2109 132H, and Tickety Boo Fed Com 2109 131H, Tickety Boo requires Novo to commence drilling the Wells within one year of the date of the Order. Novo requests that the Division extend the deadline to commence drilling the Wells until April 13, 2025 due to delays in the issuance of federal drilling permits that have impacted the development. The wells are located The wells are located approximately 22 miles northwest of Carlsbad, New Mexico. 9956894, Current Argus, March 17, 2024