

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE, LLC
TO AMEND ORDER NO. R-21210,
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Novo Oil & Gas Northern Delaware, LLC (“Novo” or “Applicant”) (OGRID No. 372920), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-21210 (“Order”) to allow for an extension of time for drilling the proposed initial well under the Order. In support of its application, Novo states:

1. Division Order No. R-21210, entered on April 9, 2020, in Case No. 21039, created a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 10 and 15, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Novo as operator of the Unit.

2. Order No. R-21210 further pooled the uncommitted interests in the Bone Spring formation, only from a depth of 7,839 feet to the base of the Bone Spring formation, in the Laguna Salado; Bone Spring pool [96721], in the Unit and dedicated the Unit to the following proposed initial wells: (1) the **Saturninus Fed Com 1510 #122H well** (API No. 30-015-pending), and (2) the **Saturninus Fed Com 1510 #132H well** (API No. 30-015-pending).

3. Applicant requests that Order No. R-21210 be re-opened and amended to allow Applicant additional time to commence drilling the well under the Order.

4. There is good cause for Applicant’s request for an extension of time to drill. Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and

other economic factors led to Novo reducing its rig count, thereby causing Novo to delay its intended plans to develop the acreage subject to the Order.

5. Under the Order, Applicant would be required to commence drilling the well by April 9, 2021, and therefore, asks for the deadline to commence drilling the well be extended for a year, to April 9, 2022.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 8, 2021, and, after notice and hearing as required by law, the Division enter an order extending the time for Novo to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP



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