

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATIONS OF NOVO OIL & GAS NORTHERN
DELAWARE LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO. Case Nos. 20689, 20696, 20698, 20701, and 20701**

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Novo Oil & Gas Northern Delaware LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Novo Oil & Gas Northern Delaware LLC

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: Brandon Patrick

OPPONENT

XTO Energy Inc.

OPPONENT'S ATTORNEY

Gary Larson

STATEMENT OF THE CASE

APPLICANT

Case No. 20689: Applicant seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the N/2 of Section 5 and the N/2 of Section 6, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Rana Salada Fed. Com. Well Nos. 131H, 132H, and 135H.

Case No. 20696: Applicant seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the SW/4 of Section 5 and the S/2 of Section

6, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Rana Salada Fed.Com. Well Nos. 123H, 124H, and 126H.

Case No. 20698: Applicant seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the S/2NW/4 of Section 5 and the S/2N/2 of Section 6, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Rana Salada Fed. Com. Well No. 125H.

Case No. 20701: Applicant seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the N/2 of Section 5 and the N/2 of Section 6, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Rana Salada Fed.Com. Well Nos. 111H, 112H, and 115H.

Case No. 20702: Applicant seeks an order pooling all mineral interests in the Bone Spring formation in a horizontal spacing unit comprised of the S/2 of Section 4 and the S/2 of Section 5, Township 23 South, Range 29 East, NMPM. The unit will be dedicated to the Rana Salada Fed.Com. Well Nos. 113H, 114H, and 116H.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENTS

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
Brandon Patrick (landman)	20 min.	Approx. 15
Michael Hale (geologist)	15 min.	Approx. 12
Zach Everman (reservoir engineer)	15 min.	Approx. 6
Kurt Shipley (operations)	10 min.	Approx. 4

OPPONENTS

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
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PROCEDURAL MATTERS

1. The cases should be consolidated for hearing.
2. If the cases are unopposed they may be presented by affidavit.

Respectfully submitted,



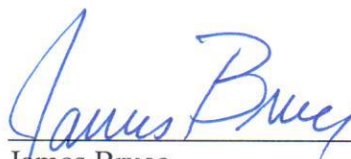
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Attorney for Novo Oil & Gas Northern
Delaware LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 1st day of August, 2019 by e-mail:

Gary Larson
glarson@hinklelawfirm.com


James Bruce