

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

**APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC  
FOR A NON-STANDARD SPACING AND PRORATION UNIT  
AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16282**

**APPLICATION OF NOVO OIL & GAS NORTHERN DELAWARE, LLC  
FOR A NON-STANDARD SPACING AND PRORATION UNIT  
AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16283**

**NOVO'S AMENDED PRE-HEARING STATEMENT FOR  
FEBRUARY 21, 2019 HEARING**

Novo Oil & Gas Northern Delaware, LLC ("Novo"), submits this Pre-Hearing Statement for the above referenced case pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

Novo Oil & Gas Northern Delaware,  
LLC

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TDY Industries, LLC

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Marathon Oil Permian LLC

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## STATEMENT OF CASE

In Case No. **16282** Novo seeks an order (1) creating a non-standard 320.00 acre, more or less, spacing unit in the Culebra Bluff; Bone Spring, South Pool (15011) limited to all depths below 8,773 feet to the base of the Bone Spring formation, comprised of the S/2S/2 of Section 4 and S/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico; and (2) pooling all uncommitted mineral interests underlying this proposed spacing unit. NOVO proposes to dedicate the S/2S/2 of Section 4 and S/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico to the **Rana Salada Fed Com 0504 134H well** which will be drilled from a surface location in the SE/4SE/4 of Section 6, Township 23 South, Range 29 East (Unit P), to a first take-point location in the SW/4SW/4 of Section 5, Township 23 South, Range 29 East (Unit M), to a bottom hole location in the SE/4SE/4 of Section 4, Township 23 South, Range 29 East (Unit P).

In Case No. **16283** Novo seeks an order (1) creating a non-standard 320.00 acre, more or less, spacing unit in the Culebra Bluff; Bone Spring, South Pool (15011) limited to all depths below 8,773 feet to the base of the Bone Spring formation, comprised of the N/2S/2 of Section 4 and N/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico; and (2) pooling all uncommitted mineral interests underlying this proposed spacing unit. Novo proposes to dedicate the N/2S/2 of Section 4 and N/2S/2 of Section 5, Township 23 South, Range 29 East, Eddy County, New Mexico to the **Rana Salada Fed Com 0504 133H well** which will be horizontally drilled from a surface location in the NE/4SE/4 of Section 6, Township 23 South, Range 29 East (Unit I), to a first take-point location in the NW/4SW/4 of Section 5, Township 23 South, Range 29 East (Unit L), to a bottom hole location in the NE/4SE/4 of Section 4, Township 23 South, Range 29 East (Unit I).

Case Nos. 16282 and 16283 were initially heard by the Division on July 12, 2018 and the record supplemented on August 9, 2018. To address the existing depth severance within the Bone Spring Sand formation underlying a 40-acre tract within the proposed spacing units in both Case Nos. 16282 and 16283, these cases were amended and re-noticed to reflect the revised proposed spacing and proration units limited to all depths below 8,773 feet to the base of the Bone Spring formation. The completed intervals for the proposed wells will be orthodox.

## PROPOSED EVIDENCE

Novo Oil & Gas Northern Delaware, LLC

WITNESS

ESTIMATED TIME

EXHIBITS

Brandon Patrick  
Land

Approx. 20 minutes

approx. 5

Michael Hale  
Geologist

Approx. 15 minutes

approx. 5

Reservoir Engineer  
Kurt Shipley

Approx. 15 minutes

approx. 4

TDY Industries, LLC

None anticipated.

Marathon Oil Permian LLC

None anticipated.

### **PROCEDURAL MATTERS**

If there is no objection to these matters, Novo intends to present these cases by affidavit, and requests they be consolidated for hearing purposes only. Additionally, Novo requests Case No. 16284 be heard immediately preceding or following Case Nos. 16282 and 16283.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

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ATTORNEYS FOR NOVO OIL & GAS NORTHERN DELAWARE,  
LLC

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on February 14, 2019.

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