

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

**APPLICATION OF NOVO OIL & GAS
NORTHERN DELAWARE, LLC
TO AMEND ORDER NO. R-20578,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21712
ORDER NO. R-20578**

NOVO'S PRE-HEARING STATEMENT

Novo Oil and Gas Northern Delaware, LLC (“Novo”) (OGRID No. 372920), applicant in the above-referenced case, submits this Pre-Hearing Statement, pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Novo Oil & Gas Northern
Delaware, LLC

ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In **Case No. 21712**, Novo seeks to amend Division Order No. R-20578 (“Order”) to add an additional initial well to the approved spacing unit under the Order, and to allow for an extension of time to drill the initial well under the Order. The Order, entered on May 29, 2019, in Case No. 20184, created a standard 320-acre, more or less, horizontal spacing

unit comprised of the W/2 of Section 4, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Novo as the operator of the Unit. The Order further pooled the uncommitted interests in the Wolfcamp formation (Purple Sage Wolfcamp Gas Pool (98220)) in the Unit and dedicated the Unit to the proposed initial **Goonch Fed Com 04 #211H Well**. On April 7, 2020, the Division Director issued a letter approving Novo’s request for an extension of the deadline to commence drilling to May 31, 2021.

Since the entry of the Order, Novo has determined it is prudent to dedicate the Unit to the additional initial **Goonch Fed Com 04 #235H well** (API No. 30-015-47280), to be drilled from a surface hole location in the NW/4 NE/4 of Section 4 (Lot 2) to a bottom hole location in the SE/4 SW/4 of Section 4 (Unit N), in the Purple Sage; Wolfcamp Gas Pool. Because Novo seeks to add an additional initial well under the Order, Novo requests a one-year extension of time to drill the initial well under the Order, until May 31, 2022.

APPLICANT’S PROPOSED EVIDENCE

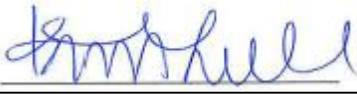
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Brandon Patrick, Landman	Affidavit	Approx. 8

PROCEDURAL MATTERS

Novo does not expect opposition to this case at the hearing, and Novo intends to present this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

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