

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:

CASE NOS: 21549, 21550

APPLICATION OF Novo OIL & GAS  
NORTHERN DELAWARE LLC, TO AMEND  
ORDER R-21092,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

DECEMBER 17, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before  
the New Mexico Oil Conservation Division, HEARING OFFICER  
FELICIA ORTH and TECHNICAL EXAMINER JOHN GARCIA on December  
17, 2020, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

A P P E A R A N C E S

For the Applicant:

KAITLYN LUCK  
HOLLAND & HART  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501  
505-954-7286

I N D E X

CASE CALLED

SUMMARY OF CASE AND EXHIBITS 03

TAKEN UNDER ADVISEMENT 05

REPORTER CERTIFICATE 06

E X H I B I T S

Admitted

Exhibits and Attachments 05

1                   HEARING EXAMINER ORTH: Let's move to a couple of  
2   affidavit cases, 21549 and 21550. The applicant is Novo Oil  
3   and Gas. These applications seek to amend orders earlier  
4   issued. The well name is Ovation Fed Com. Who is here from  
5   Holland & Hart for the applicant?

6                   MS. LUCK: Good morning, Madam Examiner. Kaitlyn  
7   Luck with the Santa Fe office of Holland & Hart on behalf of  
8   the applicant in this case Novo Oil & Gas Northern Delaware  
9   LLC.

10                  HEARING EXAMINER ORTH: Good morning, Ms. Luck.  
11   I didn't see any other entry of appearance in the file, but  
12   let me pause for a moment to see if there are any other  
13   entries this morning.

14                  (No audible response.)

15                  HEARING EXAMINER ORTH: I don't hear anything.  
16   If you would go ahead, please, Ms. Luck.

17                  MS. LUCK: Thank you. These cases were  
18   originally brought to hearing in front of the Division on  
19   December 3, and as reflected in the affidavit of Braden  
20   Patrick which was included as Exhibit C to the hearing  
21   packet for these two cases, Novo recently discovered  
22   additional overriding royalty interest owners in the spacing  
23   unit that require pooling. And for that reason, Novo  
24   requested to continue these cases to the provide notice to  
25   those overriding royalty interest owners.

1           So on Tuesday Novo filed with the Division its  
2   Novo Exhibit E-1 which reflects that notice of this hearing  
3   was provided to those additional overriding royalty interest  
4   owners that Novo seeks to pool into these two orders.

5           And with that, I would move the the admission of  
6   Novo Exhibit E-1 and request that both of these cases be  
7   taken under advisement at this time.

8           HEARING EXAMINER ORTH: Thank you, Ms. Luck.

9           Mr. Garcia, do you have questions of Ms. Luck.

10          TECHNICAL EXAMINER GARCIA: So Case 21549 and  
11   21550, they are being extended, Ms. Luck, into the N/2 of  
12   Section 13; is that correct?

13          MS. LUCK: I think it's actually into the N/2 of  
14   Section 18. These were originally just one mile spacing  
15   units in the N/2 of Section 13, so now we are seeking to  
16   extend into Section 18.

17          TECHNICAL EXAMINER GARCIA: Is there any previous  
18   orders or anything from the Division regarding -- regarding  
19   the new land?

20          MS. LUCK: I don't think that there is other  
21   pooling orders that overlap that acreage. Novo was unable  
22   to reach an agreement with the interest owners or the  
23   interest owner in that acreage, and that's why Novo seeks to  
24   pool that additional N/2 section so that Novo can drill two  
25   mile wells.

1                   TECHNICAL EXAMINER GARCIA: That's all the  
2 questions I have.

3                   HEARING EXAMINER ORTH: Thank you, Mr. Garcia.  
4 Thank you, Ms. Luck. Your exhibits are admitted and these  
5 two matters will be taken under advisement.

6                   MS. LUCK: Thank you.

7                   (Exhibits admitted.)

8                   (Taken under advisement.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court  
7 Reporter, CCR 253, do hereby certify that I reported the  
8 foregoing virtual proceedings in stenographic shorthand and  
9 that the foregoing pages are a true and correct transcript  
10 of those proceedings to the best of my ability.

11 I FURTHER CERTIFY that I am neither employed by  
12 nor related to any of the parties or attorneys in this case  
13 and that I have no interest in the final disposition of this  
14 case.

15 I FURTHER CERTIFY that the Virtual Proceeding was  
16 of poor to good quality.

17 Dated this 17th day of December 2020.

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/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-20

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