

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

**APPLICATION OF SEP PERMIAN, LLC TO  
AMEND ORDER NO. R-20642 TO ADD  
ADDITIONAL WELLS TO THE APPROVED  
HORIZONTAL WELL SPACING UNIT, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 21098  
ORDER NO. R-20642**

**SEP PERMIAN, LLC'S PRE-HEARING STATEMENT**

SEP Permian, LLC ("Spur") (OGRID No. 338479), the applicant in the above-referenced case, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

SEP Permian, LLC

**ATTORNEY**

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**APPLICANT'S STATEMENT OF CASE**

Spur seeks an order to amend Order R-20642 to add additional wells to the approved horizontal spacing unit. Division Order No. R-20642, entered February 7, 2019, in Case No. 20263, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270), comprised of the S/2 S/2 of Section 28, and the SE/4 SE/4 of

Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order dedicated the above-described spacing unit, subject to the pooled vertical limits, to the following initial proposed well: **Nirvana No. 3H Well** (API No. pending), which will be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a standard bottom-hole location in the SE/4 SE/4 (Unit P) of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. Since entry of Order No. R-20642, Spur, as successor operator to Percussion Petroleum, LLC, has determined that prior to the commencement of drilling it is prudent to add the following additional wells to the approved spacing unit: The **Nirvana No. 1H Well** (API No. pending), and the **Nirvana 2H Well** (API No. pending), both of which will be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a standard bottom-hole location in the SE/4 SE/4 (Unit P) of Section 29, all in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

#### **APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Stan Mitchell, Landman	Affidavit	Approx. 6

#### **PROCEDURAL MATTERS**

If uncontested at the time of hearing, SEP intends to present this case by affidavit.

Respectfully submitted,

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