

Additional Information

Garcia, John A, EMNRD

From: Kaitlyn A. Luck <KALuck@hollandhart.com>
Sent: Tuesday, March 31, 2020 2:21 PM
To: Garcia, John A, EMNRD
Cc: Warnell, Terry G, EMNRD; Ames, Eric, EMNRD; Cox, Scott, EMNRD
Subject: [EXT] RE: Case 21098

John,

I'm writing to follow up on our email correspondence below. We'll be filing an amended application for SEP Permian in this case, so no further review of the as-filed case is requested. Thanks for your time.

Kaitlyn Luck – Associate | Holland & Hart LLP | (o) 505.954.7286 (m) 361.648.1973

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>
Sent: Tuesday, March 17, 2020 4:12 PM
To: Kaitlyn A. Luck <KALuck@hollandhart.com>
Cc: Warnell, Terry G, EMNRD <TerryG.Warnell@state.nm.us>; Ames, Eric, EMNRD <Eric.Ames@state.nm.us>; Cox, Scott, EMNRD <Scott.Cox@state.nm.us>
Subject: RE: Case 21098

External Email

Kaitlyn,

Sorry I guess I'm a little confused still. I have also added Terry Warnell and Eric Ames to this email. Below is a list of Info I have gathered.

1. SEP Permian is the successor of Percussion Petroleum, LLC
2. In Case 21098: Application SEP determined prior to commencement of drilling it is prudent to add additional wells Nirvana 1H and Nirvana 2H. to the previous order R-20642 Case 20263 which SEP claimed had the Nirvana 3H dedicated to it. Along with vertical limits of 3201 to 4460 feet. So in reviewing the checklist for this case we have now three wells the Nirvana 1H, 2H, and 3H.
 - 1H is estimating a depth of 2395 feet
 - 2H is estimating a depth of 2650 feet
 - 3H is estimating a depth of 3585 feet
3. In Order R-20642 (Case 20191) under **"IT IS THEREFORE ORDERED THAT"** paragraph 1: the pooled interval is listed as 2279 to 3200 feet.
Paragraph 2: the dedicated well was Nirvana 1H
4. In Order R-20643 (Case 20263) under **"IT IS THEREFORE ORDERED THAT"** paragraph 1: the pooled interval is listed as 3201 to 4460 feet.
Paragraph 2: the dedicated well was Nirvana 3H

So to me the 1H,2H, and 3H wells wouldn't all belong in the same order due to the depth severance. It seems as some numbers may have been crossed upon writing the application for 21098. Could you clarify this.

Thank you,

John Garcia

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

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From: Kaitlyn A. Luck <KALuck@hollandhart.com>

Sent: Tuesday, March 17, 2020 1:09 PM

To: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>

Subject: [EXT] RE: Case 21098

John,

Thanks for pointing out these issues on the checklist. Amended checklist attached.

1. The pooling order (attached) actually pooled from the top of the Yeso to 3200 feet so the TVDs are correct as listed. I've revised the depth severance discussion on the checklist.
2. The NSLs for each well has been noted on the checklist.

Best,

Kaitlyn

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>

Sent: Tuesday, March 17, 2020 12:28 PM

To: Kaitlyn A. Luck <KALuck@hollandhart.com>

Subject: Case 21098

External Email

Kaitlyn,

I am reviewing case 21098 and had a few questions:

1. The TVD for the 1H and 2H are 2395 and 2650 feet respectively. Could you explain these depths as the pooling order is pooling depths between 3201 and the base of the Yeso?
2. Also it appears all three wells are NSL wells due to the LTP of all wells are these wells expected to be NSL?

Thank you,

John Garcia

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