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

APPLICATION OF PERCUSSION PETROLEUM OPERATING, LLC FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO.

Case No. 20190

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY NEW MEXICO,

Case No. 20248

AMENDED PRE-HEARING STATEMENT

This Amended Pre-hearing Statement is submitted by Spur Energy Partners, LLC, successor in interest of Percussion Petroleum Operating, LLC by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT:

Spur Energy Partners, LLC

ATTORNEY:

Ernest L. Padilla Padilla Law Firm, P.A. PO Box 2523 Santa Fe, NM 87504 (505) 988-7577 padillalaw@qwestoffice.net

OPPOSITION OR OTHER PARTY:

Mewbourne Oil Company

ATTORNEY:

James Bruce PO Box 1056 Santa Fe, NM 87504 (505) 982-2043 jamesbruc@aol.com

STATEMENT OF CASE

APPLICANT:

OPPOSITION OR OTHER PARTY:

In Case Nos. 20190 and 20248, Spur Energy Partners, LLC and Mewbourne Energy Co. had filed competing applications. However, the parties have since settled and Mewbourne Energy Co. will withdraw its application on Case No. 20248.

In this case, Spur Energy Partners, LLC seeks an order approving a standard horizontal spacing and proration unit and pooling all uncommitted interests in the N. Seven Rivers; Glorieta-Yeso Pool (Pool Code 97564), from a depth of 2,803 to 3,700 feet, underlying the E/2 E/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Spur Energy Partners, LLC seeks to pool only a portion of the N. Seven Rivers; Glorieta-Yeso Pool, subject to the depth severance in the Yeso formation in Section 34. Said horizontal spacing unit will be dedicated to Applicant's proposed **Lakewood Federal No. 20H** well. The completed interval is at an orthodox well location pursuant to the Statewide rules for oil wells. Also to be considered is the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Nash Bell, Landman	15 minutes	Approximately 8
C.J. Lipinski, Geologist	15 minutes	Approximately 8

OPPOSITION

WITNESSES

EST. TIME EXHIBITS

PROCEDURAL MATTERS

This case will be presented by affidavit.

Respectfully submitted,

PADILLA LAW FIRM, P.A. /s/ Ernest L. Padilla

Ernest L. Padilla Attorney for Spur Energy Partners, LLC PO Box 2523 Santa Fe, New Mexico 87504 505-988-7577

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was electronically transmitted on this 17^h day of September, 2020 to the following:

James Bruce

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<u>/s/ Ernest L. Padilla</u> Ernest L. Padilla