

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

**APPLICATION OF SEP PERMIAN, LLC TO  
AMEND ORDER NO. R-20543 TO ADD AN  
ADDITIONAL WELL TO THE APPROVED  
HORIZONTAL WELL SPACING UNIT, EDDY  
COUNTY, NEW MEXICO.**

**CASE NO. 21097  
ORDER NO. R-20543**

**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-20543 to add an additional well to the approved horizontal spacing unit. Division Order No. R-20543, entered May 17, 2019, in Case No. 20231, created a 320-acre, more or less, standard horizontal oil spacing unit in the N. Seven Rivers; Glorieta-Yeso Pool (Pool Code 97565), comprised of the E/2 of Section 23, Township 19 South,

Range 25 East, NMPM, Eddy County, New Mexico. The Order dedicated the above-described spacing unit, including the adjacent proximity tracts, to four initial proposed wells: (1) The **Shelby 23 No. 2H Well** (API No. 30-015-46624), (2) the **Shelby 23 No. 3H Well** (API No. 30-015-46625), (3) the **Shelby 23 No. 4H Well** (API No. 30-015-46626), and (4) the **Shelby 23 No. 5H Well** (API No. 30-015-46627). Since entry of Order No. R-20543, 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 well to the approved spacing unit: The **Shelby 23 No. 6H Well** (API No. 30-015-46628), which will be drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 26 to a standard bottom-hole location in the NE/4 NE/4 (Unit A) of Section 23.

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

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

#### **PROCEDURAL MATTERS**

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

Respectfully submitted,

HOLLAND & HART LLP

By: \_\_\_\_\_



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