

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

**APPLICATION OF SEP PERMIAN,
LLC TO AMEND ORDER NO. R-20396
TO ADD ADDITIONAL WELLS TO
THE APPROVED HORIZONTAL
WELL SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. _____
ORDER NO. R-20396**

APPLICATION

SEP Permian, LLC (“Spur”) (OGRID No. 338479), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-20396 to add additional wells to the approved horizontal spacing unit. In support of its application, Spur states:

1. Division Order No. R-20396, entered February 26, 2019, in Case No. 20189, created a 160-acre, more or less, standard horizontal oil spacing unit in the N. Seven Rivers; Glorieta-Yeso Pool (Pool Code 97565), comprised of the W/2 W/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

2. The Order dedicated the above-described spacing unit to the proposed initial **Lakewood Fed Com #15H Well** (API No. 30-015-46064), to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 3, Township 20 South, Range 25 East, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 34.

3. Since entry of Order No. R-20396, 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, both of which will be horizontally

drilled from surface locations in the NW/4 NW/4 (Unit D) of Section 3, Township 20 South, Range 25 East, to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 34: (1) **Lakewood Fed Com #18H Well** (API No. 30-015-46067); and (2) **Lakewood Fed Com #19H Well** (API No. 30-015-46068).

4. Spur has submitted a revised well proposal letter to the mineral owners pooled under Division Order No. R-20396 and will further notify them of this hearing.

WHEREFORE, Spur requests that this application be set for hearing before an Examiner of the Oil Conservation Division on February 6, 2020, and, after notice and hearing as required by law, the Division amend Division Order No. R-20396 to add the wells identified herein to the approved horizontal well spacing unit.

Respectfully submitted,

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