

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

**APPLICATION OF ROVER OPERATING,
LLC FOR STATUTORY UNITIZATION,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16354

**APPLICATION OF ROVER OPERATING,
LLC FOR APPROVAL OF A SECONDARY
RECOVERY PROJECT, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 16355

SEP PERMIAN ENTRY OF APPEARANCE AND PRE-HEARING STATEMENT

SEP Permian, LLC ("SEP"), successor in interest to COG Operating LLC
("COG") in the affected acreage, submits this Pre-Hearing Statement in opposition to
these applications pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Rover Operating, LLC

ATTORNEY

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OPPONENT

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ATTORNEY

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APPLICANT'S STATEMENT OF CASE

Rover Operating, LLC ("Rover") seeks an order statutorily unitizing mineral interest owners for the purpose of instituting a secondary recovery project. Rover seeks to unitize 639.60 acres comprised of Section 2, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, for a secondary recovery project extending from the top of the Loco Hills Sand to the base of the Lovington Sand in the Grayburg-Jackson (Seven Rivers Queen San Adres) Pool. These matters have been pending before the Division since July of 2018.

OPPONENT'S STATEMENT OF CASE

SEP is the successor in interest to COG in mineral rights in Section 2 that are directly below the proposed unitized formation and injection interval. SEP objects to the proposed secondary recovery operation due to the potential impact on SEP's correlative rights, the concern that the proposed operation will cause waste, the pressure issues associated with drilling through the injection interval, the impact of injection on older wells in the area and other concerns. SEP will ask the Division to impose of certain conditions on the proposed operation in the event it is approved.

OPPONENT'S PROPOSED EVIDENCE

SEP does not anticipate calling witnesses at this time

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR SEP PERMIAN, LLC.

CERTIFICATE OF SERVICE

I hereby certify that on January 16, 2020 I served a copy of the foregoing document to all counsel of record via Electronic Mail to:

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