

**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. 21022  
ORDER NO. R-20396**

**SEP PERMIAN, LLC'S PRE-HEARING STATEMENT**

SEP Permian, LLC ("SEP Permian") (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**

SEP Permian seeks an order to amend Order No. R-20396 to add additional wells to the approved horizontal spacing unit. 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. 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. 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).

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

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Stan Mitchell, 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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