

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

**APPLICATION OF SEP PERMIAN,
LLC TO AMEND ORDER NO. R-20412
TO ADD ADDITIONAL WELLS TO
THE APPROVED HORIZONTAL
WELL SPACING UNIT,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21024
ORDER NO. R-20412**

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 R-20412 to add additional wells to the approved horizontal spacing unit. Division Order No. R-20412, entered February 28, 2019, in Case

No. 20188, 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 E/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 #9H Well** (API No. 30-015-45677), to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 27, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 34. Since entry of Order No. R-20412, 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:

- (1) **Lakewood Fed Com #10H Well** (API No. 30-015-45678), to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 27, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 34; and
- (2) **Lakewood Fed Com #14H Well** (API No. 30-015-46122), to be horizontally drilled from a surface location in the NW/4 NW/4 (Lot 4) of Section 3, Township 20 South, Range 25 East, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 34.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Stan Mitchell, Landman	Affidavit	Approx. 6

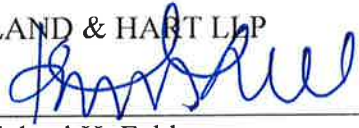
PROCEDURAL MATTERS

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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