

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

APR 26 2018 PM03:39

**APPLICATION OF PERCUSSION  
PETROLEUM OPERATING, LLC FOR A  
NON-STANDARD SPACING AND  
PRORATION UNIT AND COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16128**

**PRE-HEARING STATEMENT**

Percussion Petroleum Operating, LLC (OGRID No. 371755), the applicant in the above referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Percussion Petroleum Operating, LLC

**ATTORNEY**

Michael H. Feldewert, Esq.  
Adam G. Rankin, Esq.  
Holland & Hart, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
agrarkin@hollandhart.com

**APPLICANT'S STATEMENT OF CASE**

Percussion Petroleum Operating, LLC ("Percussion") (OGRID No. 371755) seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Section 27, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the N Seven Rivers; Glorieta-Yeso Pool (97565) underlying this acreage. Percussion proposes to dedicate the above-referenced spacing and proration unit as the project area

for its proposed **South Boyd Federal Com No. 13H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 34 to a non-standard bottom hole location in the NE/4 NE/4 (Unit A) of Section 27. The completed interval for this well is closer than 330 feet to the outer boundary of the project area than required by the statewide rules for oil wells. Percussion is seeking separate administrative approval for this unorthodox well location.

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

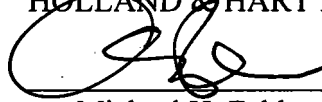
<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Rett Dalton, Landman	Approx. 20	Approx. 8
C.J. Lipinski, Geologist	Approx. 15	Approx. 4

#### **PROCEDURAL MATTERS**

Percussion requests that Case Nos. 16128 and 16129 be presented together at hearing.

Respectfully submitted,

**HOLLAND & HART LLP**



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**ATTORNEYS FOR PERCUSSION PETROLEUM  
OPERATING, LLC**