

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

**APPLICATION OF PERCUSSION  
PETROLEUM OPERATING, LLC FOR  
COMPULSORY POOLING AND APPROVAL  
OF AN UNORTHODOX WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 20188**

**PERCUSSION PETROLEUM OPERATING, LLC'S  
PRE-HEARING STATEMENT**

Percussion Petroleum Operating, LLC ("Percussion") (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**

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**APPLICANT'S STATEMENT OF CASE**

Percussion seeks an order 1) pooling all uncommitted interests in the N. Seven Rivers; Glorieta-Yeso Pool (97565) comprised of the E/2 W/2 of Section 34, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico; and 2) approving an unorthodox well location. Said

horizontal spacing unit is to be dedicated to applicant's proposed **Lakewood Federal No. 9H Well**, which will 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. The completed interval is at an unorthodox location. The first take point is 100 feet from the North line, 2609 feet from the West line and the last take point is 100 feet from the South line, 2609 feet from the West line. Accordingly, the completed interval is closer than 330 feet to the East line and encroaches on the spacing unit to the east.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Stan Mitchell, Landman	Approx. 10	Approx. 5
C.J. Lipinski, Geologist	Approx. 10	Approx. 4

Respectfully submitted,

HOLLAND & HART LLP

By: 

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