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

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APPLICATION OF PERCUSSION PETROLEUM OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20192

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

ATTORNEY

Percussion Petroleum Operating, LLC

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APPLICANT'S STATEMENT OF CASE

Percussion seeks an order pooling all uncommitted interests in the Artesia; Glorieta Yeso Pool (96830) comprised of the N/2N/2 of Section 28, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed

Welch RL State No. 1H Well, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 27 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 28. The well will be at an orthodox location pursuant to Statewide rules for oil wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Joe Dichiara, Landman	Approx. 10	Approx. 5
C.J. Lipinski, Geologist	Approx. 10	Approx. 4

Respectfully submitted,

HOLLAND & HART LLP

Bv:(

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