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

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

CASE NO. 20227

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

CASE NO. 20369

<u>PERCUSSION PETROLEUM OPERATING, LLC'S</u> <u>CONSOLIDATED PRE-HEARING STATEMENT</u>

Percussion Petroleum Operating, LLC ("Percussion") (OGRID No. 371755), the applicant

ATTORNEY

in the above-referenced matters, submits this consolidated Pre-Hearing Statement pursuant to the

rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Percussion Petroleum Operating, LLC

Adam G. Rankin, Esq. Julia Broggi, Esq. Kaitlyn A. Luck, Esq. Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com **<u>OPPONENT</u>** Lime Rock Resources II-A, L.P.

OTHER PARTIES

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APPLICANT'S STATEMENT OF CASE

In **Case No. 20227**, Percussion seeks an order pooling all uncommitted interests from the top of the Yeso formation to a depth of 3,000 feet in a proposed 160-acre horizontal spacing in the Red Lake Glorieta-Yeso Pool (51120) comprised of the N/2 S/2 of Section 13, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. Said horizontal spacing unit is to be dedicated to applicant's proposed **Cranberries "18" No. 1H Well**, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 18, Township 18 South, Range 27 East, to a standard bottomhole location in the NW/4 SW/4 (Unit L) of Section 13, Township 18 South, Range 26 East. A depth severance exists in the Yeso formation in the horizontal spacing unit. Accordingly, Percussion seeks to pool only a portion the Pool from the top of the Yeso formation to a depth of 3,000 feet. The completed interval for this well is at an orthodox well location pursuant to the Statewide rules for oil wells.

In Case No. 20369, Percussion seeks an order pooling all uncommitted interests in the Yeso formation from a depth of 3.001 feet to the base of the Yeso formation in a proposed 160acre horizontal spacing unit in the Red Lake Glorieta-Yeso Pool (51120) comprised of the N/2 S/2 of Section 13, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico. Percussion proposes to dedicate the above-referenced spacing unit to the following two wells: (1) the Cranberries "18" No. 3H Well, to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 18, Township 18 South, Range 27 East, to a standard bottom-hole location in the NW/4 SW/4 (Unit L) of Section 13, Township 18 South, Range 26 East; and (2) the Cranberries "18" No. 4H Well to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 18, Township 18 South, Range 27 East, to a standard bottom-hole location in the NW/4 SW/4 (Unit L) of Section 13, Township 18 South, Range 26 East. The completed interval for this well is at an orthodox well location pursuant to the Statewide rules for oil wells. A depth severance exists in the Yeso formation in the horizontal spacing unit. Accordingly, Percussion seeks to pool only a portion of the pool from a depth of 3,001 feet to the base of the Yeso formation.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
K. Samuel Jones, Landman	Approx. 20	Approx. 5
CJ Lipinski, Geologist	Approx. 20	Approx. 4
Brian Zwart, Petroleum Engineer	Approx. 20	Approx. 5

PROCEDURAL MATTERS

Percussion's Case Nos. 20227 and 20369 and 20232 and 20371 are competing compulsory pooling cases with Lime Rock Energy's Case No. 20211 and 20210.

Respectfully submitted,

HOLLAND & HART LLP

By:

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ATTORNEYS FOR PERCUSSION PETROLEUM OPERATING, LLC

CERTIFICATE OF SERVICE

I hereby certify that on May 23, 2019, I filed with the Division clerk the foregoing document served a copy to the following counsel of record via Electronic Mail:

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