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

APPLICATION OF SPC RESOURCES, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 20859

SPC'S PRE-HEARING STATEMENT

SPC Resources, LLC, applicant in the above-referenced cases, submits this consolidated Pre-Hearing Statement, pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In Case No. 20859, SPC seeks an order: (1) pooling all uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220)) underlying a standard 635.06-acre, more or less, horizontal well spacing unit comprised of Lots 1-4 and the S/2 N/2 (N/2 equivalent) of irregular Section 5, and Lots 1-5, the SE/4 NW/4, and the S/2 NE/4 (N/2 equivalent) of irregular Section 6, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico; and (2) dedicating the above-referenced horizontal spacing unit to the proposed initial Betty 5-6 WCXY #2H well to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 5 to a bottom-hole location in the SW/4 NW/4 (Lot 5) of Section 6. The

completed interval for the proposed well will comply with the setback requirements of the Special Rules for the Purple Sage Wolfcamp Pool.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Nicole Singer, Landman	Affidavit	Approx. 5
John Weihe, Geologist	Affidavit	Approx. 3

PROCEDURAL MATTERS

SPC intends to present this case by affidavits if uncontested at time of hearing.

Respectfully submitted,

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ATTORNEYS FOR SPC RESOURCES, LLC

CERTIFICATE OF SERVICE

I hereby certify that on November 7, 2019 I served a copy of the foregoing document to all counsel of record via Electronic Mail to:

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