

**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. 20860

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

SPC RESOURCES, LLC

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

In **Case No. 20860**, SPC seeks an order: (1) pooling all uncommitted interests in the Bone Spring formation (Esperanza; Bone Spring Pool (Pool code 97755)) underlying a standard 473.59-acre, more or less, horizontal well spacing unit comprised of the SW/4 of irregular Section 5, and Lots 6-7, the E/2 SW/4, and the SE/4 (S/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 following proposed initial wells: the **Barney 5-6 B3 #3H well**, to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 5 to a bottom-hole location in the NW/4 SW/4 (Lot 6) of Section 6; and the **Barney 5-6 B3 #4H well**, to be

horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 5 to bottom-hole location in the SW/4 SW/4 (Lot 7) of Section 6. The completed interval for the proposed **Barney 5-6 B3 #3H well** will be within 330' of the quarter-quarter line separating the N/2 S/2 and the S/2 S/2 of Sections 5 and 6 to allow inclusion of this acreage into a standard 473.59-acre horizontal well spacing unit.

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,

HOLLAND & HART LLP



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Julia Broggi
Kaitlyn A. Luck
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Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

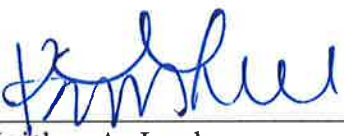
ATTORNEYS FOR SPC RESOURCES, LLC

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:

Ernest L. Padilla
PADILLA LAW FIRM, P.A.
P.O. Box 2523
Santa Fe, NM 87504
epadillalaw@qwestoffice.net

Attorney for BK Exploration Corporation



Kaitlyn A. Luck