

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

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

**CASE NO. 22421**

**NOTICE OF FILING REVISED EXHIBIT A AND REVISED EXHIBIT C-3**

SPC Resources, LLC, applicant in the above-referenced case, gives notice that it has filed the attached revised exhibits for acceptance into the record.

**Revised Exhibit A** is a corrected Compulsory Pooling Checklist. It corrects the proposed initial well name and API number, the well orientation as being west to east, the target formation as the Wolfcamp, the pool name and pool code as the Carlsbad; Wolfcamp, East (Gas) Pool (Pool Code 74160), and that the building blocks for the spacing unit are 320-acres.

**Revised Exhibit C-3** is a corrected copy of the draft C-102 for the proposed initial well, the South Avalon AUA Fed Com 402H well (API No. 30-015-31001).

Respectfully submitted,

HOLLAND & HART LLP



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**ATTORNEYS FOR SPC RESOURCES, LLC**

**COMPULSORY POOLING APPLICATION CHECKLIST (pdf)****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 22421</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: January 6, 2022</b>	
Applicant	SPC Resources, LLC
Designated Operator & OGRID (affiliation if applicable)	SPC Resources, LLC (OGRID No. 372262)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF SPC RESOURCES, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	n/a
Well Family	South Avalon AUA Federal Com #402H
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	Carlsbad; Wolfcamp, East (Gas) (Pool Code 74160)
Well Location Setback Rules:	Statewide horizontal rules
Spacing Unit Size:	321.84 acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	321.84 acres, more or less
Building Blocks:	320 acres
Orientation:	West to East
Description: TRS/County	N/2 of Section 23, Township 21 South, Range 26 East, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	N/A

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
**Exhibit No. REVISED Exhibit A**  
Submitted by: SPC Resources, LLC  
Hearing Date: January 6, 2022  
Case No. 22421

Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-4
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add as needed
Well #1	<p><b>South Avalon AUA Federal Com #402H (API No. 30-015-31001):</b></p> <p>SHL: 660 FNL and 660 FWL (Unit D) of Section 23, 21S, 26E          BHL: 1650 FNL and 200 FEL (Unit H) of Section 23, 21S, 26E</p> <p>Completion Target: Wolfcamp formation          Well Orientation: West to East          Completion Location expected to be: Standard</p>
Horizontal Well First and Last Take Points	Exhibit C-3
Completion Target (Formation, TVD and MD)	Exhibit C-3
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C, C-6
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-6
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2, C-4
Tract List (including lease numbers and owners)	Exhibit C-4
Pooled Parties (including ownership type)	Exhibit C-4, C-6
Unlocatable Parties to be Pooled	Exhibit C-4, C-6
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-5

List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4, C-6
Chronology of Contact with Non-Joined Working Interests	Exhibit C
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1, D-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1, D-2
Well Orientation (with rationale)	Exhibit C-2, D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-3, D-4, D-5
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-3
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	Exhibit C-1, C-2
Well Bore Location Map	Exhibit C-1, D-1, D-2
Structure Contour Map - Subsea Depth	Exhibit D-1, D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4, D-5
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Adam G. Rankin
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	1/19/2022

**DISTRICT I**  
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**DISTRICT IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 478-3460 Fax: (505) 478-3462

State of New Mexico  
Energy, Minerals and Natural Resources Department

Santa Fe, New Mexico  
Exhibit No. REVISED Exhibit C-3  
Submitted by: SPC Resources, LLC  
Hearing Date: January 6, 2022  
Case No. 22421

Form C-102  
Revised August 4, 2011

Submit one copy to appropriate  
District Office

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

new name & #  
new BHL  
X AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-015-31001</b>	Pool Code <b>74160</b>	Pool Name <b>CARLSBAD; WOLFCAMP, EAST (GAS)</b>
Property Code <b>332050</b>	Property Name <b>SOUTH AVALON AUA FED COM 1</b>	Well Number <b>402H</b>
OGRID No. <b>372262</b>	Operator Name <b>SPC RESOURCES, LLC</b>	Elevation <b>3152'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
D	23	21 S	26 E		660	NORTH	660	WEST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	SOUTH/South line	Feet from the	East/West line	County
H	23	21 S	26 E		1650	NORTH	100	EAST	EDDY
Dedicated Acres <b>321.84</b>	Joint or Infill	Consolidation Code <b>C</b>	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

