

**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. 20762

APPLICANT'S PRE- HEARING STATEMENT

SPC Resources, LLC ("Applicant") submits this pre-hearing statement pursuant to the rules of the New Mexico Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

SPC Resources, LLC

ATTORNEY

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STATEMENT OF THE CASE

Applicant seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 1267.1-acre, more or less, horizontal well spacing unit comprised of the W/2 and the E/2 of Section 12, Township 22 South, Range 26 East, and the W/2 and the E/2 of Irregular Section 7, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This acreage is located under the City of Carlsbad and the proposed standard spacing unit will be initially dedicated to the following proposed wells:

- The **Caveman 7-12 WCXY #2H Well** to be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 8 to a bottom-hole location in the SW/4 NW/4 (Unit E) of Section 12; and
- The **Caveman 7-12 WCD #3H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 8 to a bottom-hole location in the NW/4 SW/4 (Unit L) of Section 12.

The pooling of the remaining uncommitted interests will prevent waste and will protect correlative rights.

PROPOSED EVIDENCE

<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Nicole Singer, Landman	15 Minutes	8
John Weihe, Geologist	10 Minutes	5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

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