

**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. 21133

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

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APPLICANT'S STATEMENT OF CASE

SPC seeks an order: (1) pooling all uncommitted interests in the Bone Spring formation (Esperanza; Bone Spring Pool (Pool code 97755) underlying a standard 633.53-acre, more or less, horizontal well spacing unit comprised of the N/2 of Section 7, Township 22 South, Range 27 East, and the N/2 of Section 12, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) dedicating the above-referenced horizontal spacing unit to the following proposed initial wells:

- **Hanna #201H well** (API No. pending) to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 7, Township 22 South, Range 27

East, to a bottom-hole location in the NW/4 NW/4 (Unit D) of Section 12, Township 22 South, Range 26 East.

- **Hanna #301H well** (API No. pending) to be horizontally drilled from a surface location in the SW/4 NE/4 (Unit E) of Section 8, Township 22 South, Range 27 East, to a bottom-hole location in the NW/4 NW/4 (Unit D) of Section 12, Township 22 South, Range 26 East.

The completed intervals of the proposed **Hanna #201H well** and **Hanna #301H well** will be within 330' of the quarter-quarter line separating the N/2 N/2 and the S/2 N/2 of Sections 7 and 12 to allow inclusion of this acreage into a standard 633.53-acre horizontal well spacing unit.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Colleen Bradley, 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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