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

Re: Application of SPC Resources, LLC for compulsory pooling, Eddy County, New Mexico

Water Buffalo 403H Well CASE NO. 22554

VERIFIED RESPONSE / OBJECTION / NOTICE /STATEMENT OF THE CASE

COMES NOW John Groh (hereinafter Respondent) and states as follows:

- 1. On or about February 18, 2022 Respondent was handed a certified letter by his brother. See attached exhibit A. This is the first correspondence Respondent has received from SPC Resources LLC (herein after §PC). Respondent has never lived at nor used the 504 S. 14th St. address. Respondent has been in Artesia for the past approximately seven years and can be reached at the same phone number for the past ten years or more. Respondent's information can easily be found doing a computer search of public records. Respondent made a phone call and left a message in an attempt to resolve this matter but no return call has been received as of filling.
- 2. At this time Respondent lacks sufficient information and therefore objects as follows:
- a. The application on its face violates due process as it fails to list any names or meet notice requirements. Respondent cannot know from the application whether SPC included Respondent as an Applicant or as an uncommitted interest or if the Application even concerns Respondent. Respondent's name is only on the Certified Mail cover page. See Exhibit A
- b. The Application is not ripe for review If Respondent is an Applicant, Respondent was not given notice or any opportunity to review the application before its filing. If Respondent is a committed or uncommitted interest Respondent has not been given any opportunity to be knowingly committed or uncommitted or negotiate any mineral, oil and gas rights.
- c. Electronic remote adjudicatory proceedings without any opportunity to be present violates due process. Also Executive Order 2020-004 does not declare that state buildings are

to be closed. Nor can the Executive branch of government control the Judicial Branch of government. Absent an order from a court of competent jurisdiction ordering adjudicatory proceedings to be held electronically and remotely, the Oil Conservation Division (OCD) has no authority to hold proceedings solely electronically and remotely. (another due process violation) Holding hearings only remotely, without opportunity to be present, violates due process whether by order or not. The OCD hearings "NOTICE" posted online does not indicate that the Governor ordered state buildings to be closed to the public. SPC represents state buildings are closed to the public.

3. SPC has a duty to see that the government stays within the limits of the law and does their job correctly. Perhaps SPC needs to have any order that may exist requiring electronic remote hearings declared unconstitutional and seek in person hearings. It appears that SPC may be conspiring with the OCD and other parts of the government to deprive litigates of due process rights to gain monetary advantages over interest owners. See line "F" of the Application seeking unjust enrichment of 200 percent without giving notice and opportunity.

4. FAIR WARNING TO THE OCD IN THIS MATTER.

- a. Any action taken in this matter before Respondent has a full and fair opportunity to be fully informed of the names of the parties and which side they are on ,and having a full and fair opportunity to willingly and knowingly become committed or uncommitted violates Respondent's due process rights.
- b. Any action taken in this matter while Respondent is not allowed to appear physically due to any unconstitutional order or misreading of government documents violates Respondent's due process rights.
- 5. Respondent requests written notice of matters that may affect Respondent. (19.15.4.9B(2)).
- 6. Respondent reserves the right to amend, withdraw or further object at any time.

7. Respondent intends to make an appearance and testify if this matter is not resolved before any hearing.

WHEREFORE Respondent contends that the OCD lacks jurisdiction to make a determination on any Application in this matter until the notice defects are fixed and due process is afforded. The Application should be dismissed or the March 03, 2022 hearing vacated.

Any action taken that appears to violate Respondent's rights may result in an action being filed against those taking the action.

With Love

John Groh

C/O Rita Rainwater #2 Mustang Road

Artesia, New Mexico 88210

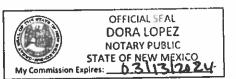
(505) 947-1310

I John Groh being over the age of twenty one verify that the facts stated above that are based

on my personal knowledge are true and correct.

ofin Groh

Notary



SERVICE OF PROCESS

I John Groh certify that the foregoing pleading was served on the Gallegos Law Firm attn: J.E. Gallegos by either first class mail at 460 St. Micheal's Drive, Bldg. 300 Santa Fe New Mexico 87505 or email at jeg@gallegoslawfirm.net on the 24 day of February 2022.

I John Groh certify that the foregoing pleading was served on Holland & Hart LLP attn: Micheal H. Feldewert by either first class mail at PO Box 2208 Santa Fe New Mexico 87505-2208, fax at (505) 983-6043 or email at mfeldewert@hollandhart.com on the 44 day of February 2022.

John Groh

SPC Resources, LLC 224 Rue De Jean Lafayette LA 70508

USPS CERTIFIED MAIL

9414 8118 9876 5844 5663 03

John R. Groh 504 S 14TH ST ARTESIA NM 88210-1702

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\$6.13 US POSTAGE FIRST-CLASS

FIRST-CLASS
Feb 09 2022
Mailed from ZIP 34747
1 oz First-Class Mail Letter

11923275



062S0012913542

Exhibit A



Adam G. Rankin Phone (505) 988-4421 Fax (505) 819-5579 agrankin@hollandhart.com

February 11, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: POOLED PARTIES

Re: Application of SPC Resources, LLC for compulsory pooling, Eddy County,

New Mexico.

Water Buffalo 403H Well

Ladies & Gentlemen:

This letter is to advise you that SPC Resources, LLC has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on March 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear remotely and present testimony. Failure to appear remotely at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing remotely in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify remotely at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact David Schoeffler at Schoeffler Energy Group, Inc., Agent for SPC Resources, LLC by phone at (337) 232-1122 or e-mail at dmschoeffler@segland.com.

Sincerely,

Adam G. Rankin

ATTORNEYS FOR SPC Resources, LLC

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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. 22554

APPLICATION

SPC Resources, LLC ("Applicant") (OGRID No. 372262) through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 1,282.24-acre, more or less, horizontal well spacing unit comprised of Sections 1 and 2 all in Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. In support of its application, Applicant states:

- 1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed Water Buffalo 403H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 3, Township 22 South, Range 26 East, to bottom-hole location in the NE/4 SE/4 (Unit I) of Section 1, Township 22 South, Range 26 East.
- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

1A 3 of 5 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this proposed unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 3, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying the proposed spacing unit;
- B. Approving the initial wells in the horizontal well spacing unit;
- C. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
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ATTORNEYS FOR SPC RESOURCES, LLC