## Exhibit "A"

Applicant:	SPC Resources, LLC
Operator:	SPC Resources, LLC (OGRID 372262)

Spacing Unit:Horizontal GasBuilding Blocks:Half Section EquivalentSpacing Unit Size:1267.1 acres (more or less)Orientation of Unit:North/South

Spacing Unit Description: W/2 and E/2 of Section 12, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, and W/2 and E/2 of Section 7, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pooling this Vertical Extent: <u>Wolfcamp Formation</u> Depth Severance? (Yes/No): <u>No</u>

Pool:	Purple Sage; Wolfcamp Gas (Pool code 98220)
Pool Spacing Unit Size:	Half Sections
Governing Well Setbacks:	Special Rules for the Purple Sage Gas Pool Apply
Pool Rules:	Purple Sage and Horizontal Well Rules

Proximity Tracts: <u>No</u>

Monthly charge for supervision: While drilling: \$8000 While producing: \$800 As the charge for risk, 200 percent of reasonable well costs.

## **Proposed Wells:**

## Caveman 7-12 WCXY Well No. 2H, API No. 30-015-Pending

SHL: 2271 feet from the North line and 240 feet from the West line,(Unit E) of Section 8, Township 22 South, Range 27 East, NMPM.BHL: 1650 feet from the North line and 100 feet from the West line,(Unit E) of Section 12, Township 22 South, Range 26 East, NMPM.

Completion Target: Wolfcamp A at approx. 8780 feet TVD. Well Orientation: East to West Completion Location expected to be: standard

## Caveman 7-12 WCD Well No. 3H, API No. 30-015-Pending

SHL: 2331 feet from the North line and 490 feet from the West line, (Unit E) of Section 8, Township 22 South, Range 27 East, NMPM.BHL: 1980 feet from the South line and 100 feet from the West line,

(Unit L) of Section 12, Township 22 South, Range 26 East, NMPM.

Completion Target: Wolfcamp D at approx. 9300 feet TVD. Well Orientation: East to West Completion Location expected to be: standard