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

APPLICATIONS OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 23489–23492

MRC'S CONSOLIDATED PRE-HEARING STATEMENT

MRC Permian Company ("MRC" or "Applicant"), the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEY

MRC Permian Company Michael H. Feldewert ("MRC") Adam G. Rankin

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, MRC seeks orders pooling all uncommitted interests in the Bone Spring formation (Carlsbad; Bone Spring East [96144]) underlying the referenced acreage all in Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, as follows:

- Under Case No. 23489, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit comprised of the N/2 N/2 of Sections 25 and 26 and initially dedicate this Bone Spring spacing unit to the proposed Whitby 2526 Fed Com #121H well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 25 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26.
- Under Case No. 23490, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit comprised of the S/2 N/2 of Sections 25 and 26 and initially dedicate this Bone Spring spacing unit to the proposed Whitby 2526 Fed Com #122H well, to be horizontally drilled from a surface location in the SE/4 NE/4 (Unit H) of Section 25 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 26.
- Under Case No. 23491, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit comprised of the N/2 S/2 of Sections 25 and 26 and initially dedicate this Bone Spring spacing unit to the proposed Whitby 2526 Fed Com #123H well, to be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 25 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 26.
- Under Case No. 23492, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit comprised of the S/2 S/2 of Sections 25 and 26 and initially dedicate this Bone Spring spacing unit to the proposed Whitby 2526 Fed Com #124H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 25 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 26.

The completed interval for each of the wells will comply with statewide setbacks for oil wells.

MRC has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Hawks Holder, Landman	Affidavit	Approx. 7
Andrew Parker, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

MRC requests that these matters be consolidated for hearing and intends to present these cases by affidavit if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

3y: ____/

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 211274

QUESTIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	211274
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	