

**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. 23746-23748**

**APPLICATION OF MRC PERMIAN  
COMPANY FOR APPROVAL OF AN  
OVERLAPPING HORIZONTAL WELL SPACING  
UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23749**

**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**

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("MRC")

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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 (WC-015 G-04 S203032P; BONE SPRING [98008]) formation underlying the referenced acreage all in Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, as follows:

- Under **Case No. 23746**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit comprised of the N/2 N/2 of Section 33 and the N/2 NE/4 of Section 32 and initially dedicate this Bone Spring spacing unit to the proposed **Alyson 3332 Fed Com 121H** well, to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33, with a first take point in the NE/4 NE/4 (Unit A) of Section 33 and a last take point in the NW/4 NE/4 (Unit B) of Section 32.
- Under **Case No. 23747**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit comprised of the S/2 N/2 of Section 33 and the S/2 NE/4 of Section 32 and initially dedicate this Bone Spring spacing unit to the proposed **Alyson 3332 Fed Com**

**122H** well, to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33, with a first take point in the SE/4 NE/4 (Unit H) of Section 33 and a last take point in the SW/4 NE/4 (Unit G) of Section 32.

- Under **Case No. 23748**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit comprised of the N/2 S/2 of Section 33 and the N/2 SE/4 of Section 32 and initially dedicate this Bone Spring spacing unit to the proposed **Alyson 3332 Fed Com 123H** well, to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33, with a first take point in the NE/4 SE/4 (Unit I) of Section 33 and a last take point in the NW/4 SE/4 (Unit J) of Section 32.

Under **Case No. 23749**, MRC seeks an order (a) approving the proposed standard overlapping spacing units and (b) pooling all uncommitted interests in the Bone Spring formation underlying the S/2 S/2 of Section 33 and the S/2 SE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. MRC seeks to initially dedicate the above-referenced overlapping horizontal well spacing unit to the proposed **Alyson 3332 Fed Com 124H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33, with first take point in the SE/4 SE/4 (Unit P) of Section 33 and a last take point SW/4 SE/4 (Unit O) of Section 32. This proposed horizontal well spacing unit will overlap a 40-acre spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 32 that is currently dedicated to the Eddy BD State #1 (30-015-20200), a vertical well completed in the Bone Spring formation.

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 interest owners in the subject acreage.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
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

By: 

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**ATTORNEYS FOR MRC PERMIAN COMPANY**

**CERTIFICATE OF SERVICE**

I hereby certify that on August 31, 2023, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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**Energy, Minerals and Natural Resources**  
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QUESTIONS  
  
Action 261083

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 261083
	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.