

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

**APPLICATIONS OF PERMIAN RESOURCES
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 25093-25100

**NOTICE OF INTERVENTION AND OBJECTION
TO PROCEEDING BY AFFIDAVITS**

MRC Permian Company ("MRC") hereby intervenes in the above-referenced cases and provides notice that it objects to these cases proceeding by affidavits or self-affirmed statements.

In support of this notice MRC states:

1. These cases seek to pool the Bone Spring and Wolfcamp formations underlying Sections 23 and 26, Township 20 South, Range 32 East, Lea County, New Mexico, and are currently scheduled for hearing on January 9, 2025.

2. This acreage was part of the acreage involved in a set of competing cases scheduled to be heard by the Division on November 5, 2024. However, in October the parties agreed to dismiss the competing cases and vacate the contested hearing stating:

The competing development plans in PRO and MRC's cases involve large areas, multiple formations, potash drill islands, and numerous wells. Accordingly, it is in the best interest of the parties, and will conserve resources of the Division, to allow the parties additional time to evaluate the competing proposals and negotiate before proceeding to a contested hearing.

See Joint Motion filed in Permian Cases 24917-24918, 24440-24442, 24451-24453 & 24455 (Spicy Chicken wells) and MRC Cases 24902-24904, 24906-24907 & 24909- 24911 (Twinkle wells).

3. Without discussing revised development plans or applications with MRC, Permian Resources filed these new applications in December. Because MRC does not own an interest in

Sections 23 and 26, MRC did not receive notice of these applications. Due to the holidays, MRC only recently discovered these cases on the Division's January 9th docket.

4. As with the prior set of competing cases, Permian Resources' proposal to include the S2 of Section 26 in its development plans prevents MRC from effectively developing MRC's acreage in Section 35, and irregular Sections 1 and 2, directly south of Section 26. This is due to potash mine workings and the limited potash drill islands in this area, as referenced in the Joint Motion filed by the parties in October. Essentially, MRC's only option to develop its acreage in Section 35, and irregular Sections 1 and 2 to the south, is from potash drill islands in the S2N2 of Section 26.

5. Now that Permian has refiled pooling cases that seek to include the S2 of Section 26, MRC intends to file competing development plans that include the S2 of Section 26 similar to those that were dismissed in November.

6. Since MRC has working interests that will be negatively affected by Permian's proposed development plans and intends to file competing pooling cases involving the S2 of Section 26, MRC's participation in these cases will contribute substantially to the prevention of waste and the protections of correlative rights. *See NMRA 19.15.4.11.*

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on January 6, 2025, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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