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

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

CASE NOS. 25183 & 25184

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

ATTORNEY

APPLICANT

MRC Permian Company

Michael H. Feldewert Adam G. Rankin Paula M. Vance Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF THE CASES

Under these consolidated cases, MRC seeks orders pooling all uncommitted interests in the Bone Spring formation (MESCALERO ESCARPE; BONE SPRING [45793]) in the following proposed horizontal well spacing units underlying Sections 3 and 4, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico:

• Under Case No. 25183, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit underlying the N/2 S/2 of Sections 3 and 4 to be initially dedicated to the proposed Noel 0304 Fed Com 123H well, to be horizontally drilled from a surface location

in the SW/4 of Section 4, with a first take point in the NW/4 SW/4 (Unit L) of Section 4 and a last take point in the NE/4 SE/4 (Unit I) of Section 3; and

Under Case No. 25184, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit underlying the S/2 S/2 of Sections 3 and 4 to be initially dedicated to the proposed Noel 0304 Fed Com 124H well, to be horizontally drilled from a surface location in the SW/4 of Section 4, with a first take point in the SW/4 SW/4 (Unit M) of Section 4 and a last take point in the SE/4 SE/4 (Unit P) of Section 3.

The completed interval for 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
Ehtan Frasier, Landman	Self-Affirmed Statement	Approx. 4
Joshua Burrus, Geologist	Self-Affirmed Statement	Approx. 3

PROCEDURAL MATTERS

MRC does not anticipate opposition to these matters and requests that they be consolidated for a hearing by self-affirmed statements.

Respectfully submitted,

HOLLAND & HART LLP

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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

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Action 439724

QUESTIONS

Operator:		OGRID:
MATADOR PRO	ODUCTION COMPANY	228937
One Lincoln C	entre	Action Number:
Dallas, TX 752	240	439724
		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.	