

**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. 25388, 25390 & 25391 & 25393**

**APPLICATION OF MRC PERMIAN COMPANY  
FOR APPROVAL OF A 983.65-ACRE  
NONSTANDARD HORIZONTAL WELL SPACING  
UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25409**

**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**

MRC Permian Company

**ATTORNEY**

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**APPLICANT’S STATEMENT OF THE CASES**

Under these consolidated cases, MRC seeks orders pooling all uncommitted interests in the Pennsylvanian formation (Dean; Permo Upper Penn [16720] pool) underlying the following

proposed horizontal well spacing units comprised of acreage all within Township 15 South, Range 36 East, and Township 16 South, Range 37 East, NMPM, Lea County, New Mexico:

- Under **Case No. 25388**, MRC seeks to pool a standard 480-acre, more or less, horizontal well spacing unit underlying the W/2 W/2 of Sections 11, 14, and 23, T15S-R36E, to be initially dedicated to the proposed **Ed Drake Fed Com #241H** well, with a surface location in the SW/4 SW/4 (Unit M) of Section 23, a first take point in the SW/4 SW/4 (Unit M) of Section 23, and a last take point in the NW/4 NW/4 (Unit D) of Section 11;
- Under **Case No. 25390**, MRC seeks to pool a standard 480-acre, more or less, horizontal well spacing unit underlying the E/2 W/2 of Sections 11, 14, and 23, T15S-R36E, to be initially dedicated to the proposed **Ed Drake Fed Com #242H** well, with a surface location SW/4 SW/4 (Unit M) of Section 23, a first take point in the SE/4 NW/4 (Unit N) of Section 23, and a last take point in the NE/4 NW/4 (Unit C) of Section 11;
- Under **Case No. 25391**, MRC seeks to pool a standard 480-acre, more or less, horizontal well spacing unit underlying the W/2 E/2 of Sections 11, 14, and 23, T15S-R36E, to be initially dedicated to the proposed **Ed Drake Fed Com #243H** well, with a surface location in the SE/4 SE/4 (Unit P) of Section 23, a first take point in the SW/4 SE/4 (Unit O) of Section 23, and a last take point in the NW/4 NE/4 (Unit B) of Section 11;
- Under **Case No. 25393**, MRC seeks to pool a standard 480-acre, more or less, horizontal well spacing unit underlying the E/2 E/2 of Sections 11, 14, and 23, T15S-R36E, to be initially dedicated to the proposed **Ed Drake Fed Com #244H** well, with a surface location in the SE/4 SE/4 (Unit P) of Section 23, a first take point in the SE/4 SE/4 (Unit P) of Section 23, and a last take point in the NE/4 NE/4 (Unit A) of Section 11; and

- Under **Case No. 25409**, MRC seeks an order (1) approving of a 983.65-acre, more or less, non-standard horizontal well spacing unit underlying the W/2 of Sections 26 and 35, T15S-R36E, and Lots 3-6 and 11-14 (NW/4 equivalent) of Section 5, T16S-R37E, and (ii) pooling all uncommitted mineral owners in the non-standard spacing unit, to be initially dedicated to the proposed **Steve Ruschell State Com #241H** well, with a surface location in the SW/4 SW/4 (Unit M) of Section 23, T15S-R36E, a first take point in the NW/4 NW/4 (Unit D) of Section 26, T15S-R36E, and a last take point in Lot 13 of Section 5, T16S-R37E; and the **Steve Ruschell State Com #242H** well, with a surface location in the SW/4 SW/4 (Unit M) of Section 23, T15S-R36E 25409 2 a first take point in the NE/4 NW/4 (Unit C) of Section 26, T15S-R36E, and a last take point in Lot 14 of Section 5, T16S-R37E.

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 interest owners in the subject acreage.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Addison Costley, Landman	Self-Affirmed Statement	Approx. 5
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

By:  \_\_\_\_\_

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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 469132

**QUESTIONS**

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 469132
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

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