

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

**APPLICATION OF MRC PERMIAN
COMPANY TO EXTEND THE DRILLING
DEADLINE UNDER ORDER NO. R-23599,
LEA COUNTY, NEW MEXICO.**

**CASE NO. _____
ORDER NO. R-23599**

APPLICATION

MRC Permian Company (“MRC” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to extend the drilling deadline under compulsory pooling Order No. R-23599 (“Order”). In support of its application, MRC states:

1. On December 12, 2024, the Division entered Order No. R-23599 in Case No. 24289, which approved a standard 324.24-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation (Airstrip; Bone Spring [960] or Section 34, T18S-R34E, and Scharb Bone Spring [55610] for Section 3, T19S-R34E) comprised of the W/2 E/2 of Section 34, Township 18 South, Range 34 East, and Lot 2, the SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico (the “Unit”) and pooled the uncommitted mineral interests therein. Matador Production Company (OGRID No. 228937) is the operator under the Pooling Order and the pooled spacing unit is initially dedicated to the proposed **Art Smith State Com 127H** well.

2. Good cause exists to extend the deadline to commence drilling the initial well under the Pooling Order.

3. Under the Order, Applicant would be required to commence drilling the well by December 13, 2025, and therefore, asks for the deadline to commence drilling the well be extended for a year, to December 13, 2026.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 4, 2025, and, after notice and hearing as required by law, the Division enter an order extending the time for MRC to commence drilling the proposed initial well under the Order.

Respectfully submitted,

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**ATTORNEYS FOR MRC PERMIAN COMPANY &
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CASE _____: Application of MRC Permian Company to Extend the Drilling Deadline Under Order No. R-23599, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the initial well under Order No. R-23599. The Unit is a standard 324.24-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the W/2 E/2 of Section 34, Township 18 South, Range 34 East, and Lot 2, the SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. Order No. R-23599 approved the overlapping spacing unit and pooled the uncommitted mineral interests in the Bone Spring formation and dedicated the Unit to the proposed initial **Art Smith State Com 127H** well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 27, T18S-R34E, with a first take point in the NW/4 NE/4 (Unit B) of Section 34, T18S-R34E, and a last take point in the SW/4 SE/4 (Unit O) of irregular Section 3, T19S-R34E. The subject area is located approximately 22 miles west of Hobbs, New Mexico.