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

APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING AND NOTICE OF OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO

Case Nos.: 23833, 23835,

23838, 23839

APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING AND, TO THE EXTENT NECESSARY, APPROVAL OF AN OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO

Case Nos.: 24110-24112, 24115

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos.: 23961-23964

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

Case Nos.: 24142-24145

ORDER DENYING MRC'S MOTION TO VACATE PRE-HEARING ORDER

THIS MATTER, having come before the Hearing Examiner on MRC Permian Co.'s (MRC) opposed Motion to Vacate Pre-Hearing Order in Favor of a Status Conference; the Hearing Examiner having considered the Motion, Franklin Mountain Energy 3, LLC's (Franklin) Response, and MRC's Reply, and noting the positions of COG Operating, LLC and Armstrong Energy Corp. and Slash Exploration; and being otherwise fully advised, finds and concludes:

1. MRC has the burden of showing that the Motion should be granted and not denied.

- MRC provides no evidence (in the form of an affidavit for example) in support of its Motion.
- 3. MRC cites no authority to grant its Motion.
- 4. On December 8, 2023, the Hearing Examiner entered an Amended Pre-Hearing Order setting these consolidated matters for a special hearing on February 8, 2024. The hearing date was agreed to by all parties during a status conference on the December 7, 2023 docket.
- 5. Two weeks before the hearing, MRC filed its Motion arguing in part that in preparation for the hearing, it discovered "deficiencies in the filed applications and legal notices," and that "working interest owners ... have not been provided sufficient notice of the nature and extent of the proposed overlapping spacing units."
- 6. MRC has not demonstrated standing to represent other working interest owners, and it is undisputed that MRC has actual knowledge of the overlap it complains of.
- 7. MRC has thus not carried its burden and the Motion is not well taken.

IT IS THEREFORE ORDERED that the Motion is denied, and the Amended Pre-Hearing Order filed on December 8, 2023 remains in full force and effect.

GREGORY CHAKALIAN
HEARING EXAMINER