

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

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**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**AMENDED APPLICATION OF XTO ENERGY INC.
FOR APPROVAL OF THE EXPANSION OF THE
JAMES RANCH UNIT, EDDY COUNTY, NEW MEXICO.**

Case No. 15844

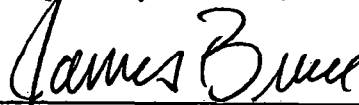
MOTION FOR A CONTINUANCE

MRC Permian Company and MRC Permian LKE Company, LLC (collectively, "MRC") requests a continuance of the above case until the November 30, 2017 docket, and in support thereof, state:

1. In this case XTO Energy Inc. ("XTO") requests approval of the expansion of the James Ranch Unit by 13,223.68 acres of land (the unit area currently contains 15,094.41 acres of land).
2. MRC owns approximately 1280 acres of leasehold within the expansion area, which is a substantial position.
3. MRC does not wish its leases to be within the unit area, and it has informed XTO that it would like its land excluded from the expansion area, or that MRC would like to make an acreage trade with XTO.
4. MRC prefers to drill and operate leases in which it owns a majority or the entire working interest.
5. The James Ranch Unit is an exploratory unit, and MRC cannot be forced to ratify the unit. However, inclusion of MRC's acreage within the expanded unit, even if it is not committed, gives XTO the upper hand in obtaining operations of wells containing MRC acreage. Thus, MRC would prefer not to have its lands in the unit area.
6. Due to the timing of the filing of this motion, MRC's counsel has not yet had time to confer with XTO's counsel about this motion. He will do so shortly.

WHEREFORE, MRC requests that this case be continued to the November 30, 2017 to allow further negotiations between the parties.

Respectfully submitted,



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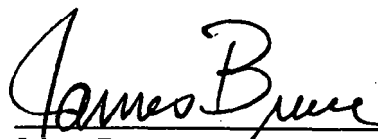
Attorney for MRC Permian Company and
MRC Permian LKE Company, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following
counsel of record this 24th day of October, 2017 by e-mail:

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James Bruce