

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

**APPLICATION OF MRC PERMIAN
COMPANY FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL SPACING
UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23367

MRC PERMIAN COMPANY'S PRE-HEARING STATEMENT

MRC Permian Company ("MRC" or "Applicant"), the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

MRC Permian Company
("MRC")

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

In this case, Applicant seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation Malaga; Bone Spring (42780) comprised of the S/2 S/2 of Sections 14 and 15, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this

overlapping horizontal well spacing unit. Applicant proposes to dedicate the above-referenced spacing unit to the proposed initial **George 14 & 15-24S-28E #114H** and **George 14 & 15-24S-28E #134H** wells, both to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15.

This 320-acre horizontal well spacing unit will overlap the following existing horizontal well spacing unit covering portions of the subject acreage:

- 160-acre, more or less, horizontal well spacing unit comprised of the S/2 S/2 of Section 14, Township 24 South, Range 28 East, dedicated to the Tiger 14 24S 28E RB #124H well (API: 30-015-43012).

The completed interval for the wells will comply with statewide setbacks for oil wells. Applicant 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

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Hanna Bollenbach, Landman	Affidavit	Approx. 7
Dan Brugioni, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant intends to present this case by affidavit at hearing if unopposed.

Respectfully submitted,

HOLLAND & HART LLP

By: _____

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QUESTIONS

Action 189959

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 189959
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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