

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

**APPLICATIONS OF MRC PERMIAN
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 23750, 23752-23753

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

CASE NO. 23751

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

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("MRC")

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, MRC seeks orders pooling all uncommitted interests in the Wolfcamp (WC-015 G-07 S203032G; WOLFCAMP [97963]) formation underlying the referenced acreage all in Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, as follows:

- Under **Case No. 23750**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit comprised of the N/2 N/2 of Section 33 and the N/2 NE/4 of Section 32 and initially dedicate this Wolfcamp spacing unit to the proposed **Alyson 3332 Fed Com 201H** well, to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33, with a first take point in the NE/4 NE/4 (Unit A) of Section 33 and a last take point in the NW/4 NE/4 (Unit B) of Section 32.
- Under **Case No. 23752**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit comprised of the N/2 S/2 of Section 33 and the N/2 SE/4 of Section 32 and initially dedicate this Wolfcamp spacing unit to the proposed **Alyson 3332 Fed Com**

203H well, to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33, with a first take point in the NE/4 SE/4 (Unit I) of Section 33 and a last take point in the NW/4 SE/4 (Unit J) of Section 32.

- Under **Case No. 23753**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit comprised of the S/2 S/2 of Section 33 and the S/2 SE/4 of Section 32 and initially dedicate this Wolfcamp spacing unit to the proposed **Alyson 3332 Fed Com 204H** well, to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33, with a first take point in the SE/4 SE/4 (Unit P) of Section 33 and a last take point in the SW/4 SE/4 (Unit O) of Section 32.

Under **Case No. 23751**, MRC seeks an order (a) approving the proposed standard overlapping spacing units and (b) pooling all uncommitted interests in the Wolfcamp formation underlying the S/2 N/2 of Section 33 and the S/2 NE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. MRC seeks to initially dedicate the above-referenced overlapping horizontal well spacing unit to the proposed **Alyson 3332 Fed Com 202H** well to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33, with first take point in the SE/4 NE/4 (Unit H) of Section 33 and a last take point SW/4 NE/4 (Unit G) of Section 32. This proposed horizontal well spacing unit will overlap a 40-acre spacing unit comprised of the SW/4 NE/4 (Unit G) of Section 32 that is currently dedicated to the Eddy BD State #3 (30-015-38144), a vertical well completed in the Wolfcamp formation.

The completed interval for each of 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

| WITNESS Name and Expertise | ESTIMATED TIME | EXHIBITS |
|---------------------------------------|-----------------------|-----------------|
| Hawks Holder, Landman | Affidavit | Approx. 7 |
| Andrew Parker, Geologist | Affidavit | Approx. 4 |

PROCEDURAL MATTERS

MRC requests that these matters be consolidated for hearing and intends to present these cases by affidavit if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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CERTIFICATE OF SERVICE

I hereby certify that on August 31, 2023, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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State of New Mexico
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Oil Conservation Division
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QUESTIONS

Action 261075

QUESTIONS

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| Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240 | OGRID: 228937 |
| | Action Number: 261075 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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| Testimony | |
| <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> |