

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

**APPLICATION OF MRC HAT MESA, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24129

MRC HAT MESA, LLC'S PRE-HEARING STATEMENT

MRC Hat Mesa, LLC ("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 Hat Mesa, LLC
("MRC")

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

APPLICANT'S STATEMENT OF THE CASE

Under **Case No. 24129**, MRC seeks an order pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-10 S213328O; Wolfcamp [98033]) underlying a standard 800-acre, more or less, horizontal well spacing unit comprised of the W/2 of Section 6, Township 22 South, Range 33 East, and the W/2 of Section 31 and the SW/4 of Section 30, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. MRC seeks to initially dedicate this Wolfcamp spacing unit to the proposed **Paul Flowers State Com 205H** well to be horizontally drilled from a surface hole location in the SW/4 of Section 6, with a first take point in Lot 7 (SW/4 SW/4

equivalent) of Section 6 and a last take point in Lot 3 (NW/4 SW/4 equivalent) of Section 30. The completed interval of the **Paul Flowers State Com 205H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

The completed interval for the well 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
David Johns, Landman	Affidavit	Approx. 7
Blake Herber, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

MRC intends to present this case by affidavit if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:  _____
Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR MRC HAT MESA, LLC

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 307743

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 307743
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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>