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. 24133 &24134

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

ATTORNEY

Michael H. Feldewert

MRC Permian Company ("MRC")

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APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, MRC seeks orders pooling all uncommitted interests in the Bone Spring formation (Sand Tank; Bone Spring [96832]) underlying the referenced acreage as follows:

• Under Case No. 24133, MRC seeks to pool the uncommitted interests in a standard 310.82-acre, more or less, horizontal well spacing unit comprised of the N/2 NE/4, NE/4 NW/4 and Lot 1 of irregular Section 18 (N/2 N/2 equivalent), Township 18 South, Range

29 East, and the N/2 N/2 of Section 13, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico and initially dedicate this Bone Spring spacing unit to the proposed **Stephanie 0712 Fed Com 131H** well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of irregular Section 7, T18S-R29E, with a first take point in the NE/4 NE/4 (Unit A) of irregular Section 18, T18S-R29E, and a last take point in the NW/4 NW/4 (Unit D) of Section 13, T18S-R28E.

• Under Case No. 24134, MRC seeks to pool the uncommitted interests in a standard 310.68-acre, more or less, horizontal well spacing unit comprised of the S/2 SE/4, SE/4 SW/4 and Lot 4 of irregular Section 7 (S/2 S/2 equivalent), Township 18 South, Range 29 East, and the S/2 S/2 of Section 12, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico and initially dedicate this Bone Spring spacing unit to the proposed Stephanie 0712 Fed Com 134H well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of irregular Section 7, T18S-R29E, with a first take point in the same and a last take point in the SW/4 SW/4 (Unit M) of Section 12, T18S-R28E.

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
Nicholas Weeks, Landman	Affidavit	Approx. 6
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

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

QUESTIONS

Action 307770

QUESTIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	307770
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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