

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

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

**CASE NOS. 24304-24309**

**APPLICANT'S CONSOLIDATED PRE-HEARING STATEMENT**

MRC Permian Company, the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

MRC Permian Company

**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

**OTHER PARTIES**

PBEX, LLC, and E.G.L. Resources, Inc.

**ATTORNEY**

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
505-982-2043  
jamesbruc@aol.com

**APPLICANT'S STATEMENT OF THE CASE**

In these consolidated cases, Applicant filed for approval of overlapping spacing units and compulsory pooling. However, due to notice issues, Applicant is dismissing the request for approval of overlapping spacing units and intends to pursue that relief administratively. Application therefore seeks orders pooling all uncommitted interests in Bone Spring formation underlying Sections 22 and 27, Township 18 South, Range 34 East, , NMPM, Lea County, New Mexico, as follows:

- **Case 24304** seeks to pool a standard 320-acre horizontal well spacing unit in the Bone Spring formation underlying the W2W2 of Sections 22 and 27 to be initially dedicated to the proposed **Jim Rolfe Fed Com 121H** well to be horizontally drilled from a surface location in the NW4 of Section 34, with a first take point in the SW4SW4 (Unit M) of Section 27 and a last take point in the NW4NW4 (Unit D) of Section 22.
- **Case 24305** seeks to pool a standard 320-acre horizontal well spacing unit in the Bone Spring formation underlying the E2W2 of Sections 22 and 27 to be initially dedicated to the proposed **Jim Rolfe Fed Com 122H** well to be horizontally drilled from a surface location in the NW4 of Section 34, with a first take point in the SE4SW4 (Unit N) of Section 27 and a last take point in the NE4NW4 (Unit C) of Section 22.
- **Case 24306** seeks to pool a standard 320-acre horizontal well spacing unit in the Bone Spring formation underlying the W2E2 of Sections 22 and 27 to be initially dedicated to the proposed **Jim Rolfe Fed Com 123H** well to be horizontally drilled from a surface location in the SE4 of Section 27, with a first take point in the

SW4SE4 (Unit O) of Section 27 and a last take point in the NW4NE4 (Unit B) of Section 22.

- **Case 24307** seeks to pool a standard 320-acre horizontal well spacing unit in the Bone Spring formation underlying the E2E2 of Sections 22 and 27 to be initially dedicated to the proposed **Jim Rolfe Fed Com 124H** well to be horizontally drilled from a surface location in the SE4 of Section 27, with a first take point in the SE4SE4 (Unit P) of Section 27 and a last take point in the NE4NE4 (Unit A) of Section 22.
- **Case 24308** seeks to pool a standard 160-acre horizontal well spacing unit in the Bone Spring formation underlying W2W2 of Section 27 to be initially dedicated to the proposed **Jim Rolfe Fed Com 131H** well to be horizontally drilled from a surface location in the NW4 of Section 34, with a first take point in the SW4SW4 (Unit M) of Section 27 and a last take point in the NW4NW4 (Unit D) of Section 27.
- **Case 24309** seeks to pool a standard 160-acre horizontal well spacing unit in the Bone Spring formation underlying E2E2 of Section 27 to be initially dedicated to the proposed **Jim Rolfe Fed Com 134H** well to be horizontally drilled from a surface location in the SE4 of Section 27, with a first take point in the SE4SE4 (Unit P) of Section 27 and a last take point in the NE4NE4 (Unit A) of Section 27.

Applicant seeks to have Matador Production Company (OGRID No. 228937) designated as the operator of these proposed spacing units. Applicant has sought but been unable to obtain voluntary agreement for development of this acreage from all affected mineral interest owners.

**APPLICANT’S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Isaac Evans, Landman	Self-Affirmed Statement	Approx. 5
Andrew Parker, Geologist	Self-Affirmed Statement	Approx. 3

**PROCEDURAL MATTERS**

Due to notice issues, Applicant has dismissed the requests for approval of overlapping horizontal well spacing units and intends to pursue that relief administratively. Applicant has also reduced the number of initial wells in some of the proposed spacing units. Applicant intends to present these cases in a consolidated fashion by self-affirmed statements 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 PERMIAN COMPANY**

**CERTIFICATE OF SERVICE**

I hereby certify that on August 15, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
505-982-2043  
*jamesbruc@aol.com*

***Attorney for PBEX, LLC, and E.G.L. Resources, Inc.***



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Michael H. Feldewert

**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 374185

**QUESTIONS**

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 374185
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<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>