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. 23672

APPLICANT'S PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u> <u>ATTORNEY</u>

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APPLICANT'S STATEMENT OF THE CASE

MRC seeks an order an order (a) approving a standard 240-acre overlapping horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 1 and N2NE4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Scott King State Com 111H**, **Scott King State Com 121H** and the **Scott King State Com 131H** wells to be horizontally drilled with first take points located in the NE4NE4 (Unit A) of Section 1 and last take points located in the NW4NE4 (Unit B) of

Section 2. This standard 240-acre horizontal well spacing unit will overlap a 40-acre vertical well spacing unit comprised of the NE4NW4 (Unit C) of Section 1 that is currently dedicated to the Malaga 1 Com No. 1 well (API No. 30-15-26415) operated by Kaiser Francis Oil Company. MRC seeks to designate Matador Production Company as the operator of this spacing unit and the wells drilled thereon.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Reece Clark, Landman	Affidavit	Approx. 6
Dan Brugioni, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

MRC does not anticipate any opposition to this matter and intends to present this case by affidavit.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR MRC PERMIAN COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on August 10, 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 Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 250668

QUESTIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	250668
	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.	