

**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,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23742

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

CASE NO. 23743

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FOR APPROVAL OF AN OVERLAPPING HORIZONTAL
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**APPLICATION OF MRC PERMIAN COMPANY
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LEA COUNTY, NEW MEXICO.**

CASE NO. 23745

APPLICANT'S CONSOLIDATED PRE-HEARING STATEMENT

MRC Permian Company ("MRC"), 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

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APPLICANT'S STATEMENT OF THE CASE

In these consolidated matters, MRC seeks orders approving and then pooling overlapping horizontal well spacing units in the Bone Spring formation underlying the Sections 7 and 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, as follows:

- Under Case 23742, MRC seeks an order approving and pooling an overlapping 320-acre, more or less, standard horizontal well spacing unit in the Bone Spring formation underlying Lots 1-4 (W2W2 equivalent) of irregular Sections 7 and 18 to be initially dedicated to the proposed **Biggers 18&7 Fed Com 111H** and the **Biggers 18&7 Fed Com 121H** wells to be horizontally drilled from Lot 4 (SW4SW4 equivalent) of Section 18 to a bottom hole location in Lot 1 (NWNW4 equivalent) of Section 7. This proposed horizontal well spacing unit will overlap a horizontal spacing unit in the WC-025 G-09 S243532M; Wolfbone Pool (98098), an interval and pool different from by that targeted by the proposed wells, comprised of the W2 equivalent of irregular Sections 6 and 7 of Township 25 South, Range 35 East, dedicated to the following wells: COG Stove Pipe Fed Com 601H (30-025-46556), COG Stove Pipe Fed Com 603H (30-025-46500), COG Stove Pipe Fed Com 702H (30-025-46557), COG Stove Pipe Fed Com 706H (30-025-46503) and COG Stove Pipe Fed Com 707H (30-025-46504).
- Under Case 23743, MRC seeks an order approving and pooling an overlapping 320-acre, more or less, standard horizontal well spacing unit in the Bone Spring formation underlying the E2W2 of Sections 7 and 18 to be initially dedicated to the proposed **Biggers 18&7 Fed**

Com 112H and the **Biggers 18&7 Fed Com 122H** wells to be horizontally drilled from the SE4SW4 (Unit N) of Section 18 to a bottom hole location in the NE4NW4 (Unit C) of Section 7. This proposed horizontal well spacing unit will overlap a horizontal spacing unit in the WC-025 G-09 S243532M; Wolfbone Pool (98098), an interval and pool different from by that targeted by the proposed wells, comprised of the W2 equivalent of irregular Sections 6 and 7 of Township 25 South, Range 35 East, dedicated to the following wells: COG Stove Pipe Fed Com 601H (30-025-46556), COG Stove Pipe Fed Com 603H (30-025-46500), COG Stove Pipe Fed Com 702H (30-025-46557), COG Stove Pipe Fed Com 706H (30-025-46503) and COG Stove Pipe Fed Com 707H (30-025-46504).

- Under Case 23744, MRC seeks an order approving and pooling an overlapping 320-acre, more or less, standard horizontal well spacing unit in the Bone Spring formation underlying the W2E2 of Sections 7 and 18, to be initially dedicated to the proposed **Biggers 18&7 Fed Com 113H** and the **Biggers 18&7 Fed Com 123H** wells to be horizontally drilled from the SW4SE4 (Unit O) of Section 18 to a bottom hole location in the NW4NE4 (Unit B) of Section 7. This proposed horizontal well spacing unit will overlap a horizontal spacing unit in the WC-025 G-09 S243532M; Wolfbone Pool (98098), an interval and pool different from by that targeted by the proposed wells, comprised of the W2E2 equivalent of irregular Section 6 and the W2NE4 of Section 7, Township 25 South, Range 35 East, dedicated to the COG Stove Pipe Fed Com 2H (30-025-42926).
- Under Case 23745, MRC seeks an order approving and pooling an overlapping 320-acre, more or less, standard horizontal well spacing unit in the Bone Spring formation underlying the E2E2 of Sections 7 and 18, to be initially dedicated to the proposed **Biggers 18&7 Fed Com 114H** and the **Biggers 18&7 Fed Com 124H** wells to be horizontally drilled from the SW4SE4 (Unit O) of Section 18 to a bottom hole location in the NE4NE4 (Unit A) of

Section 7. This proposed horizontal well spacing unit will overlap a horizontal spacing unit in the WC-025 G-09 S243532M; Wolfbone Pool (98098), an interval and pool different from by that targeted by the proposed wells, comprised of the E2E2 equivalent of irregular Sections 6 and Section 7, Township 25 South, Range 35 East, dedicated to the COG Stove Pipe Fed Com 1H (30-025-43838) and the COG Stove Pipe Fed Com 21H (30-025-43839). Applicant has sought but been unable to obtain voluntary agreement for the development of this acreage from all affected mineral owners in this acreage.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Isaac Evans, Landman	Affidavit	Approx. 6
Liz Olson, Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

MRC does not anticipate any opposition to these cases and therefore intends to present them by affidavit in a consolidated fashion.

Respectfully submitted,

HOLLAND & HART LLP

By:  _____

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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 260755

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 260755
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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