

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

**APPLICATION OF MRC PERMIAN  
COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23670**

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

**CASE NO. 23671**

**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**

MRC Permian Company  
("MRC")

**ATTORNEY**

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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 (Culebra Bluff; Bone Spring, South [15011]) formation underlying the referenced acreage all in Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, as follows:

- Under **Case No. 23670**, MRC seeks to pool a standard 240-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the N/2 S/2 of Section 1 and N/2 SE/4 of Section 2 and initially dedicate this Bone Spring spacing unit to the proposed **Drew Dix Fed Com 113H, Drew Dix Fed Com 123H** and the **Drew Dix Fed Com 133H** wells to be horizontally drilled with first take points located in the NE/4 SE/4 (Unit I) of Section 1 and last take points located in the NW/4 SE/4 (Unit J) of Section 2.
- Under **Case No. 23671**, MRC seeks an order (a) approving a standard 240-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the S/2 S/2 of Section 1 and S/2 SE/4 of Section 2, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. MRC seeks to initially dedicate the above-referenced overlapping horizontal well spacing unit to the proposed **Dew Dix Fed Com 114H, Dew Dix Fed Com 124H** and the **Dew Dix**

**Fed Com 134H** wells to be horizontally drilled with first take points located in the SE/4 SE/4 (Unit P) of Section 1 and last take points located in the SW/4 SE/4 (Unit O) of Section 2. This proposed horizontal well spacing unit will overlap a 160-acre horizontal well spacing unit comprised of the S/2 S/2 of Section 1 that is currently dedicated to the Dr. Scrivener Federal 01-24S-28E RB 124H well (API No. 30-15-43820) operated by Matador Production Company.

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**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Reece Clark, Landman	Affidavit	Approx. 7
Daniel Brugioni, 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

By:  \_\_\_\_\_

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**ATTORNEYS FOR MRC PERMIAN COMPANY**

**CERTIFICATE OF SERVICE**

I hereby certify that on September 14, 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**  
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QUESTIONS

Action 265355

**QUESTIONS**

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 265355
	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>