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

APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING AND NOTICE OF OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO

CASE NOS. 23833, 23835, 23838, 23839

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APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING AND, TO THE EXTENT NECESSARY, APPROVAL OF AN OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO

CASE NOS. 24110-24112, 24115

MRC PERMIAN, LLC'S WITHDRAWAL OF OBJECTION

MRC Permian Company ("MRC") hereby withdraws its objections to the above captioned Franklin Mountain Energy 3, LLC ("FME3") cases. As grounds for this withdrawal, MRC states as follows:

- 1. In the above captioned cases, FME3 seeks approval of Bone Spring and Wolfcamp spacing units underlying Section 36, Township 18 South, Range 34 East, and Section 1, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. FME3 seeks to dedicate these units to its Cross State wells.
- 2. MRC had originally filed applications that competed with the above captioned FME3 cases.
- 3. MRC subsequently dismissed its competing applications, but maintained its objection to FME3's Cross State wells.
 - 4. A contested hearing was held on February 8, 2024.
 - 5. MRC and FME3 submitted post-hearing briefs on March 7, 2024.

- 6. MRC and FME3 have resolved MRC's objections to FME3's Cross State wells and development plan and the Cross State applications.
- 7. MRC anticipates entering into a mutually-agreeable JOA with FME3, whereby FME3 will be the operator of the Cross State wells and the acreage at issue in the above captioned cases, and FME3 will proceed to develop the Cross State wells as discussed at the February 8 hearing in these matters.
- 8. MRC is therefore withdrawing its objections to the above captioned FME3 cases and withdraws its objection to FME3's proposed development plan for FME3's Cross State wells.
- 9. Because MRC is withdrawing its objections to the above captioned cases, MRC's exhibits, witness testimony, and MRC's Post-Hearing Brief and Proposed Findings should also be considered withdrawn or are rendered moot by this withdrawal of objection.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on April 10, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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