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

APPLICATION OF MRC PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 24864 & 24865

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

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 agrankin@hollandhart.com pmvance@hollandhart.com

OTHER PARTIES

XTO Energy, Inc.

James P. Parrot Miguel A. Suazo Beatty & Wozniak, P.C. 500 Don Gaspar Ave. Santa Fe, NM 87505 (505) 946-2090 jparrot@bwenergylaw.com msuazo@bwenergylaw.com

APPLICANT'S STATEMENT OF THE CASES

Under these consolidated cases, MRC seeks orders pooling all uncommitted interests in the following proposed horizontal well spacing units underlying Sections 11 and 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico:

- Under Case 24864, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the W2E2 of Sections 11 and 14 to be initially dedicated to the proposed Monika 1411 Com 133H well, to be horizontally drilled from a surface location in the SE4 of Section 14, with a first take point in the SW4SE4 (Unit O) of Section 14 and a last take point in the NW4NE4 (Unit B) of Section 11; and
- Under Case 24865, MRC seeks to pool a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the E2 of Sections 11 and 14 to be initially dedicated to the proposed Monika 1411 Com 203H well, to be horizontally drilled from a surface location in the SE4 of Section 14, with a first take point in the SE4SE4 (Unit P) of Section 14 and a last take point in the NE4 NE4 (Unit A) of Section 11. The location of the proposed well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

MRC seeks to designated Matador Production Company as the operator of these proposed spacing units. MRC has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Addison Costley, Landman	Affidavit	Approx. 7
Joshua Burrus, Geologist	Affidavit	Approx. 3

PROCEDURAL MATTERS

Since XTO Energy has now withdrawn its objections to these matters, MRC requests that

these matters be consolidated for a hearing by self-affirmed statements.

Respectfully submitted,

HOLLAND & HART LLP

Tichal J. Fellewers

By: _

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ATTORNEYS FOR MRC PERMIAN COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on January 2, 2025, 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

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Action 416737

QUESTIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	416737
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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