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

APPLICATIONS OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case Nos. 24864-24865

PRE-HEARING STATEMENT

Fasken Oil and Ranch, Ltd. ("Fasken") provides this Pre-Hearing Statement as required by the Hearing Examiners Pre-Hearing Order, filed February 27, 2025 and rules of the Division.

APPEARANCES

APPLICANT

MRC PERMIAN COMPANY ATTORNEY:

Michael H. Feldewert Adam G. Rankin Paula M. Vance

HOLLAND & HART LLP

P.O. Box 2208

Santa Fe, NM 87504-2208

(505) 988-4421

mfeldewert@hollandhart.com agrankin@hollandhart.com pmvance@hollandhart.com

OTHER INTERESTED PARTIES

FASKEN OIL AND RANCH, LTD. Sharon T. Shaheen

SPENCER FANE, LLP

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 986-2678

sshaheen@spencerfane.com
ec: dortiz@spencerfane.com

XTO ENERGY, INC.

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

STATEMENT OF THE CASE

In these matters, Applicant MRC Permian Company ("Applicant" or "MRC") seeks orders pooling all uncommitted interests in horizontal well spacing units underlying Sections 11 and 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. Fasken has a working interest in the proposed units. However, MRC failed to act in good faith to negotiate a voluntary agreement as required by NMSA 1978, Section 70-2-18. MRC failed to provide a well proposal to Fasken 30 days prior to filing the applications AND/OR failed to provide timely notice of the hearing. No witness testimony by the Trust or on its behalf is anticipated, but the Trust reserves the right to cross-examine Applicant's witnesses. Although the parties have reached an agreement in principle, MRC has failed to provide an acceptable form of agreement in writing. Fasken has submitted a proposed form of agreement for MRC's review and awaits a response from MRC.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES

EXHIBITS

TBD

PROCEDURAL MATTERS

This case is currently on the April 15, 2025 docket and will be presented as a contested hearing.

Respectfully submitted,

SPENCER FANE, LLP

By: /s/ Sharon T. Shaheen
Sharon T. Shaheen
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 986-2678
sshaheen@spencerfane.com
ec: dortiz@spencerfane.com

Attorneys for Fasken Oil and Ranch, Ltd.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record, by electronic mail on April 8, 2025:

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
HOLLAND & HART LLP
P.O. Box 2208
Santa Fe, NM 87504-2208
(505) 988-4421
mfeldewert@hollandhart.com
agrankin@hollandhart.com
pmvance@hollandhart.com
Attorneys for MRC Permian Company

James P. Parrot
Miguel A. Suazo
BEATTY & WOZNIAK, P.C.
500 Don Gaspar Avenue
Santa Fe, NM 87505
(505) 946-2090
jparrot@bwenergylaw.com
msuazo@bwenergylaw.com
Attorneys for XTO, Inc.

/s/ Sharon T. Shaheen Sharon T. Shaheen Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

Action 449978

QUESTIONS

Operator:	OGRID:
FASKEN OIL & RANCH LTD	151416
6101 Holiday Hill Rd	Action Number:
Midland, TX 79707	449978
	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.	