

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

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

CASE NO. 24366

APPLICANT'S PRE-HEARING STATEMENT

MRC Permian Company, the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

MRC Permian Company

ATTORNEY

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OTHER PARTIES

E.G.L. Resources, Inc.

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APPLICANT'S STATEMENT OF THE CASE

Applicant seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E2 of Section 16, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. Applicant intends to initially dedicate the above-referenced horizontal spacing unit to the proposed **Cimarron State Com 1143H** and **Cimarron State Com 1243H** “u-turn” wells to be horizontally drilled from a surface location in the NE4 of Section 16, with first take points in the NE4NE4 (Unit A) of Section 16 and last take points in the NW4NE4 (Unit B) of Section 16. This proposed horizontal well spacing unit will overlap the following existing spacing units:

- A 160-acre horizontal well spacing unit comprised of the W2E2 of Section 16 currently dedicated to the Cimarron 16 19S 34E RN State Com 133H (30-025-42979) operated by Matador Production Company in a different interval of the Bone Spring formation and assigned to the Quail Ridge; Bone Spring Pool (50460); and
- A 160-acre horizontal well spacing unit comprised of the E2E2 of Section 16 currently dedicated to the Cimarron 16 19S 34E RN State Com 134H (30-025-42352) operated by Matador Production Company in a different interval of the Bone Spring formation and assigned to the Quail Ridge; Bone Spring Pool (50460).

Applicant seeks to have Matador Production Company (OGRID No. 228937) designated as the operator of these proposed spacing units. Applicant has sought but been unable to obtain voluntary agreement for development of this acreage from all affected mineral interest owners.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Hawks Holder, Landman	Self-Affirmed Statement	Approx. 6
Anna Thorson, Geologist	Self-Affirmed Statement	Approx. 3

PROCEDURAL MATTERS

E.G.L. Resources, Inc., the only party that has appeared in this matter, has dismissed its competing pooling applications under Cases 24178 and 24180 and no longer objects to this matter proceeding by self-affirmed statements.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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CERTIFICATE OF SERVICE

I hereby certify that on November 27, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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QUESTIONS

Action 407137

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 407137
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	2
Testimony time (in minutes)	10