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

IN THE MATTER OF THE HEARINGS CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF EOG RESOURCES, INC. FOR A NON-STANDARD SPACING AND PRORATION UNIT, COMPULSORY POOLING, AND APPROVAL TO SURFACE (POOL-LEASE) COMMINGLE, LEA COUNTY, NEW MEXICO.

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PRE-HEARING STATEMENT

This pre-hearing statement is submitted by MRC Permian Company as required by the Oil Conservation Division.

APPEARANCES

APPLICANT EOG Resources, Inc.

OPPONENT MRC Permian Company Suite 1500 5400 LBJ Freeway Dallas, Texas 75240 APPLICANT'S ATTORNEY Michael Feldewert Jordan L. Kessler

Case No. 15,666

Case No. 15,667

OPPONENT'S ATTORNEY James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attention:

Dana Arnold (972) 371-5284

STATEMENT OF THE CASE

<u>APPLICANT</u>

Applicant seeks orders pooling all mineral interests in the Bone Spring formation (Case No. 15666) and the Wolfcamp formation (Case No. 15667) underlying the W/2SW/4 of Section 3 and the W/2W/2 of Section 10, Township 25 South, Range 34 East, NMPM.

OPPONENT

MRC Permian Company has numerous unresolved issues with Applicant regarding the proposed units, including the timing of the well proposals, well costs, allocation of facilities costs, and existing governing agreements.

PROPOSED EVIDENCE

APPLICANT

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OPPONENT

<u>WITNESSES</u>	<u>EST, TIME</u>	<u>EXHIBITS</u>
Jonathan Filbert General Land Manager	30 min.	Approx. 10
Tom Elsener Senior Area Asset Manager	20 min.	Approx. 5

Alternate Technical Witnesses:

Brad Robinson Senior Vice President - Reservoir Engineering

Trent W. Green, P.E. Vice President - Production & Facilities

PROCEDURAL MATTERS

MRC Permian Company has informally requested of Applicant a four week continuance of Case Nos. 15666 and 15667. Applicant has assured MRC Permian Company that it will provide a proposal to resolve the above enumerated issues by the end of the day on March 23, 2017. Accordingly, at this time, MRC Permian Company will not formally move to continue these cases, but reserves its right to file a motion to continue these cases.

Respectfully submitted,

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James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for MRC Permian Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this $3 \cdot 4$ day of March, 2017 via e-mail:

Michael Feldewert mfeldewert@hollandhart.com

Jordan L. Kessler jlkessler@hollandhart.com

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