

NOTICE OF HEARINGS

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

NOTICE IS HEREBY GIVEN that on **Tuesday, April 29, 2025** beginning at **9:00 a.m.**, the Oil Conservation Division (“OCD”) of the New Mexico Energy, Minerals and Natural Resources Department will hold public hearings, pursuant to 19.5.4 NMAC for the purpose of considering new applications listed in this notice. All interested persons are invited to appear. The hearings will be held before a hearing examiner and will be conducted in a hybrid fashion, both in-person and via MS Teams virtual meeting platform. To attend:

Location:

Energy, Minerals and Natural Resources Department
Wendell Chino Building – Pecos Hall
1220 South St. Francis Drive, 1st Floor
Santa Fe, NM 87505

-or-

MS Teams Link:

Click [HERE](#) to join the meeting.

Dial-In:

(505) 312-4308

Phone conference ID: 181 612 495#

If you choose to attend remotely, please mute yourself upon entry.

The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov.

Documents filed in these cases may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>.

Presenting parties are required to submit a pre-hearing statement no later than the Thursday before the hearing. The pre-hearing statement shall include: 1) a list of disputed facts and issues; 2) identification of witnesses and their qualifications; and 3) all exhibits and written testimony a party intends to enter into evidence at the hearing and a full narrative for each.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Freya.Tschantz@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than 10 days prior to the hearing.

Note: All land descriptions refer to the New Mexico Principal Meridian.

1. Case No. 25304: Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 483-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 SW/4 of Section 26 and the E/2 W/2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 4, 5, 12, 13 and the W/2 SE/4 (W/2 W/2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 112H, Twinkle 2601 Fed Com 122H, and Twinkle 2601 Fed Com 132H wells to be horizontally drilled from a surface location in the SE/4 NW/4 (Unit F) of Section 26, T20S-R32E, with first take points in the NE/4 SW/4 (Unit K) of Section 26, T20S-R32E, and last take points in the SW/4 SW/4 (Unit M) of irregular Section 1, T21S-R31E. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring

formation:

- An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S-R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30-025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed wells. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

2. Case No. 25305: Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy and Lea Counties, New Mexico.

Applicant in the above-styled cause seeks an order (a) approving a standard 483-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 SE/4 of Section 26 and the W/2 E/2 of Section 35, Township 20 South, Range 32 East, Lea County, New Mexico; and Lots 3, 6, 11, 14 and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 1, Township 21 South, Range 31 East, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed Twinkle 2601 Fed Com 113H, Twinkle 2601 Fed Com 123H, and Twinkle 2601 Fed Com 133H wells to be horizontally drilled from a surface location in the SE4NE4 (Unit H) of Section 26, T20S-R32E, with a first take points in the NW/4 SE/4 (Unit J) of Section 26, T20S-R32E, and a last take point in the SE/4 SW/4 (Unit N) of Section 1, T21S-R31E. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

- An existing 640-acre spacing unit in the Bone Spring formation underlying all of Section 26, T20S-R32E, currently dedicated to the Snoddy Federal 20H (30-025-40447), the Snoddy Federal 21H (30-025-40838) and the Snoddy Federal 23H (30-025-40837) operated by Cimarex Energy Company in the Salt Lake; Bone Spring Pool (53560).

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 32 miles east of Carlsbad, New Mexico.

3. Case No. 25299: Application of MRC Permian Company for compulsory pooling and approving overlapping well units, Eddy County, New Mexico:

MRC Permian Company ("Applicant") has filed an application with the Oil Conservation Division (the "Division") for an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a non-standard spacing unit comprised of the E/2 of Section 28, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"). Applicant proposes to drill the Anderson Laing Fed. Well No. 129H in the Unit. The well will be horizontally drilled from a surface location and first take point in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location and last take point in the SW/4SE/4 (Unit O) of Section 28. The well is a U-turn well: The E/2E/2 of Section 28 will contain the south-north lateral, and the W/2E/2 of Section 28 will contain the north-south lateral. Also to be considered will be the cost of drilling, completing, testing, and equipping the well, and the allocation of the cost thereof among the well's working interest owners, designation of Matador Production Company as operator of the well and the Unit, approval of actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the well in the event a working interest owner elects not to participate in the well. Applicant also requests approval for the Unit to overlap the following wells: The Cypress 28 Fed. Well No. 1H (API No. 30-015-37249), Cypress 28 Fed. Well No. 2H (API No. 30-015-37331), Cypress 28 Fed. Well No. 3H (API No. 30-015-38287), and Cypress 28 Fed. Well No. 4H (API No. 30-015-39330). The Unit is located approximately 2-1/2 miles east-northeast of Harroun, New Mexico.

4. Case No. 25300: Application of MRC Permian Company for compulsory pooling, Eddy County, New Mexico:

MRC Permian Company ("Applicant") has filed an application with the Oil Conservation Division (the "Division") for an order pooling all uncommitted mineral interest owners in the Wolfcamp formation underlying a non-standard spacing unit comprised of the E/2 of Section 28, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"). Applicant proposes to drill the Anderson Laing Fed. Well Nos. 209H and 229H in the Unit. The wells will be horizontally drilled from surface locations and first take points in the SE/4SE/4 (Unit P) of Section 28 to bottom hole locations and last take points in the SW/4SE/4 (Unit O) of Section 28. The wells are U-turn wells: The E/2E/2 of Section 28 will contain the south-north laterals, and the W/2E/2 of Section 28 will contain the north-south laterals. Also to be considered will be the cost of drilling, completing, testing, and equipping the wells, and the allocation of the cost thereof among the wells'

working interest owners, designation of Matador Production Company as operator of the wells and the Unit, approval of actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure, and setting a 200% charge for the risk involved in drilling, completing, testing, and equipping the wells in the event a working interest owner elects not to participate in the wells. The Unit is located approximately 2-1/2 miles east-northeast of Harroun, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this Tuesday, April 8, 2025

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

**Gerasimos Razatos
Acting Director, Oil Conservation Division**