

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

**APPLICATION OF E.G.L. RESOURCES INC.  
FOR COMPULSORY POOLING IN  
LEA COUNTY, NEW MEXICO**

**CASE NO. 23214**

**PRE-HEARING STATEMENT**

This Pre-hearing Statement is submitted by E.G.L. RESOURCES, INC., by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

<b>APPLICANT:</b>	E.G.L. RESOURCES, INC.
<b>ATTORNEY:</b>	Ernest L. Padilla Padilla Law Firm, P.A. PO Box 2523 Santa Fe, NM 87504 (505) 988-7577 <a href="mailto:padillalawnm@outlook.com">padillalawnm@outlook.com</a>
<b>OPPOSITION OR OTHER PARTY:</b>	Matador Production Company
<b>ATTORNEY:</b>	Michael H. Feldewert Adam G. Rankin Julia Broggi Paula M. Vance Post Office Box 2208 Santa Fe, New Mexico 87504 TEL: (505) 988-4421 FAX: (505) 983-6043 Facsimile <a href="mailto:mfeldewert@hollandhart.com">mfeldewert@hollandhart.com</a> <a href="mailto:agrarkin@hollandhart.com">agrarkin@hollandhart.com</a> <a href="mailto:jbroggi@hollandhart.com">jbroggi@hollandhart.com</a> <a href="mailto:pmvance@hollandhart.com">pmvance@hollandhart.com</a>

**STATEMENT OF CASE**

**APPLICANT:**

This case arises through a proposal of EGL Resources to Matador Production Company and MRC Permian pursuant to NMAC 19.15.13.11 under which a non-operator may propose a well if the operator under a compulsory pooling order declines to further develop the pooled spacing unit. Here, EGL has proposed to Matador/MRC Permian, the operator designated pursuant to Order R-14097 which was entered on December 14, 2015, and Order R-13960 which was entered on February 17, 2015, the drilling of two 1<sup>st</sup> Bone Spring wells. Pursuant to these orders, Matador/MRC Permian drilled 3<sup>rd</sup> Bone Springs wells, and have not further developed the two spacing units comprised of the W/2E/2 and the E/2E/2 of Section 16, Township 19 South, Range 34 East, Lea County, NM. After proper notice under NMAC 19.15.13.11, Matador/MRC Permian, has declined, as operator of the pooled units, to EGL’s proposal of drilling 1<sup>st</sup> Bone Spring wells on the respective spacing units. As a result, EGL, as a non-operating working interest owner has filed its application to drill the following wells to test the 1<sup>st</sup> Bone Spring zone of the Bone Spring formation:

**Cimarron 16 State Com #101H**

This proposed well is a horizontal well with a legal surface location in Unit B of Section 16, T19S, R34E, and an intended legal bottom hole location in Unit O of Section 16, T19S, R34E, Lea County, New Mexico. It will have a TVD of approximately 9,530 feet and TMD of approximately 15,350 feet, and will target the 1<sup>st</sup> Bone Spring.

**Cimarron 16 State Com #102H**

This proposed well is a horizontal well with a legal surface location in Unit B of Section 16, T19S, R34E, and an intended legal bottom hole location in Unit P of Section 16, T19S, R34E, Lea County, New Mexico. It will have a TVD of approximately 9,530 feet and TMD of approximately 15,350 feet, and will target the 1<sup>st</sup> Bone Spring.

**OPPOSITION OR OTHER PARTY:**

**PROPOSED EVIDENCE**

**APPLICANT**

<b>WITNESSES</b>	<b>EST. TIME</b>	<b>EXHIBITS</b>
Matthew Langhoff (Landman)	10 minutes	approx.. 8
Matthew Pardee (Geologist)	10 minutes	approx.. 6
Hunter Vick (Reservoir Engineer)	10 minutes	

**OPPOSITION**

<b>WITNESSES</b>	<b>EST. TIME</b>	<b>EXHIBITS</b>
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**PROCEDURAL MATTERS**

None.

Respectfully submitted,

PADILLA LAW FIRM, P.A.

**/s/ Ernest L. Padilla**

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**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing was electronically transmitted on this 23<sup>rd</sup> day of November, 2022 to the following:

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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

Action 161694

**QUESTIONS**

Operator: E G L RESOURCES INC P.O. Box 10886 Midland, TX 79702	OGRID: 173413
	Action Number: 161694
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.