

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING FEBRUARY 8, 2018**

CASE No. 15931

*MARBOB 19 STATE COM CO. 123H WELL
AND THE PROPOSED MARBOB 19 STATE COM NO. 133H WELL*

EDDY COUNTY, NEW MEXICO



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

**APPLICATION OF MATADOR PRODUCTION COMPANY
FOR A NON-STANDARD SPACING AND
PRORATION UNIT, AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15931

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Jordan L. Kessler, attorney in fact and authorized representative of Matador Production Company, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.



Jordan L. Kessler

SUBSCRIBED AND SWORN to before me this 7th day of February, 2018 by Jordan L. Kessler.



Notary Public

My Commission Expires:



HOLLAND & HART



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
JLKessler@hollandhart.com

January 19, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.
Marbob 19 State Com No. 123H Well
Marbob 19 State Com No. 133H Well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on February 8, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

Jordan L. Kessler
ATTORNEY FOR
MATADOR PRODUCTION COMPANY

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

HOLLAND & HART



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
JKessler@hollandhart.com

January 19, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: OVERRIDING ROYALTY INTEREST OWNERS

Re: Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.
Marbob 19 State Com No. 123H Well
Marbob 19 State Com No. 133H Well

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Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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Sincerely,

Jordan L. Kessler
ATTORNEY FOR
MATADOR PRODUCTION COMPANY

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Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

Marbob 19 State Com 123H & 133H
Pooled Parties (2)
Case No. 15931 (2nd Notice)

Turner Royalties, LLC
3 Brass Horse Lane
Santa Fe, New Mexico 87508

Buchholz Oil & Gas Co.
c/o Charles W. Green, Inc.
212 E. Abrams St.
Arlington, TX 76010

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information vis

OFFICE

Mar 06 12:31 & 13:11

Pooled Party (2)

Case No. 15931(2nd)

Postage \$	SA 87508
Certified Fee	SA 87508
Return Receipt Fee (Endorsement Required)	SA 87508
Restricted Delivery Fee (Endorsement Required)	SA 87508

Postmark Here

Turner Royalties, LLC
 3 Brass Horse Lane
 Santa Fe, New Mexico 87508

PS Form 3800, August 2006 See Reverse for Instructions

U.S. Postal ServiceTM
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For delivery information vis

OFFICE

Mar 06 12:31 & 13:11

Pooled Party (2)

Case No. 15931(2nd)

Postage \$	SA 87508
Certified Fee	SA 87508
Return Receipt Fee (Endorsement Required)	SA 87508
Restricted Delivery Fee (Endorsement Required)	SA 87508

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Buchholz Oil & Gas Co.
 c/o Charles W. Green, Inc.
 212 E. Abrams St.
 Arlington, TX 76010

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse, so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Turner Royalties, LLC
 3 Brass Horse Lane
 Santa Fe, New Mexico 87508



9590 9402 1832 6104 5924 5444
 7012 3050 0000 6847 7271

Article Number (Transfer from service label)

PS Form 3811, July 2015 PSN 7830-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *Leslie A. Turner*

B. Received by (Printed Name)
 Leslie A. Turner

C. Date of Delivery
 JAN 19 2013

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If Yes, enter delivery address below:

- Service Type
 - ☐ Registered Mail
 - ☐ Registered Mail Restricted Delivery
 - ☐ Certified Mail
 - ☐ Certified Mail Restricted Delivery
 - ☐ Collect on Delivery
 - ☐ Collect on Delivery Restricted Delivery
 - ☐ Mail
 - ☐ Mail Restricted Delivery
- Priority Mail Express®
- Registered Mail
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

Marbob 19 State Com 123H & 133H
ORRI (5)
Case No. 15931 (2nd Notice)

COG Operating, LLC
600 W. Illinois Avenue
Midland, TX 79701

Concho Oil & Gas LLC
600 W. Illinois Avenue
Midland, TX 79701

Read & Stevens, LLC
P. O. Box 1518
Roswell, NM 88202

Read & Stevens, Inc.
P. O. Box 1518
Roswell, NM 88202

CBR Oil Properties, LLC
P. O. Box 1518
Roswell, NM 88202

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
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 For delivery information visit **usps.com**

OFFICE
 Case No. 15931 (2nd)

Postage \$5.50
 Certified Mail Fee \$2.50
 Return Receipt Fee (Endorsement Required)
 Restricted Delivery Fee (Endorsement Required)

Postmark Here

COG Operating, LLC
 600 W. Illinois Avenue
 Midland, TX 79701

See Reverse for Instructions

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit **usps.com**

OFFICE
 Case No. 15931 (2nd)

Postage \$5.50
 Certified Mail Fee \$2.50
 Return Receipt Fee (Endorsement Required)
 Restricted Delivery Fee (Endorsement Required)

Postmark Here

Concho Oil & Gas LLC
 600 W. Illinois Avenue
 Midland, TX 79701

See Reverse for Instructions

CERTIFIED MAILTM
 PLACE STICKER AT TOP OF ENVELOPE TO THIS HEIGHT OF THE RETURN ADDRESS. FOR MAIL CONTAINING THIS SECTION ON DELIVERY

1. Article Addressed to:
 Complete items 1, 2, and 3.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

COG Operating, LLC
 600 W. Illinois Avenue
 Midland, TX 79701

2. Article Number (Transfer from service label)
 9590 9402 1832 6104 5924 85
 7012 3050 0000 6847 7240
 PS Form 3811, July 2015 PSN 7530-02-000-9053

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail[®]
☐ Insured Mail Restricted Delivery[®]

4. Signature
☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

A. Signature
☐ Agent
☐ Addressee

B. Received by (Printed Name)
 C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

CERTIFIED MAILTM
 PLACE STICKER AT TOP OF ENVELOPE TO THIS HEIGHT OF THE RETURN ADDRESS. FOR MAIL CONTAINING THIS SECTION ON DELIVERY

1. Article Addressed to:
 Complete items 1, 2, and 3.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

Concho Oil & Gas LLC
 600 W. Illinois Avenue
 Midland, TX 79701

2. Article Number (Transfer from service label)
 9590 9402 1832 6104 5924 78
 7012 3050 0000 6847 7233
 PS Form 3811, July 2015 PSN 7530-02-000-9053

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail[®]
☐ Insured Mail Restricted Delivery[®]

4. Signature
☐ Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

A. Signature
☐ Agent
☐ Addressee

B. Received by (Printed Name)
 C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
 If YES, enter delivery address below:

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
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 For delivery information visit **OFFICIAL MAIL**
 PS Form 3811, July 2015 PSN 7530-02-000-9003

Postage \$ 3.35
 Certified Fee \$ 2.75
 Return Receipt Fee (Endorsement Required)
 Restricted Delivery Fee (Endorsement Required)
 Postmark Here

Read & Stevens, LLC
 P. O. Box 1518
 Roswell, NM 88202

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit **OFFICIAL MAIL**
 PS Form 3811, July 2015 PSN 7530-02-000-9003

Postage \$ 3.35
 Certified Fee \$ 2.75
 Return Receipt Fee (Endorsement Required)
 Restricted Delivery Fee (Endorsement Required)
 Postmark Here

Read & Stevens, Inc.
 P. O. Box 1518
 Roswell, NM 88202

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit **OFFICIAL MAIL**
 PS Form 3811, July 2015 PSN 7530-02-000-9003

1. Article Addressed to:
 Read & Stevens, LLC
 P. O. Box 1518
 Roswell, NM 88202

2. Article Number (Transfer from service label)
 7012 3050 0000 6847 7226

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery

4. Signature
☒ Agent
☐ Addressee

5. Received by (Printed Name)
 M. Stevens

6. Date of Delivery
 JAN 22 2016

7. Is delivery address different from item label?
 If YES, enter delivery address below:

8. Domestic Return Receipt

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
 For delivery information visit **OFFICIAL MAIL**
 PS Form 3811, July 2015 PSN 7530-02-000-9003

1. Article Addressed to:
 Read & Stevens, Inc.
 P. O. Box 1518
 Roswell, NM 88202

2. Article Number (Transfer from service label)
 7012 3050 0000 6847 7219

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery

4. Signature
☒ Agent
☐ Addressee

5. Received by (Printed Name)
 M. Stevens

6. Date of Delivery
 JAN 22 2016

7. Is delivery address different from item label?
 If YES, enter delivery address below:

8. Domestic Return Receipt

U.S. Postal ServiceTM

CERTIFIED MAIL[®] RECEIPT

(Domestic Mail Only; No Insurance Coverage)

For delivery information visit usps.com

OFFICE

Postage	\$	
Certified Fee	\$	3.35
Return Receipt Fee (Endorsement Required)	\$	2.75
Restricted Delivery Fee (Endorsement Required)	\$	
Total Postage & Fees	\$	6.10

CBR Oil Properties, LLC
P. O. Box 1518
Roswell, NM 88202

for instructions

7012 3050 0000 6847 7202

U.S. POSTAL SERVICE

MAIL DELIVERY SERVICE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CBR Oil Properties, LLC
P. O. Box 1518
Roswell, NM 88202



9590 9402 1832 6104 5924 61

2. Article Number (transfer from service label)

7012 3050 0000 6847 7202

PS Form 3811, July 2015 PSN 7630-02-000-9003

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) M. NAKS C. Date of Delivery JAN 15 2016

D. Is delivery address different from item 1? ☐ Yes ☒ No

If YES, enter delivery address below:

3. Service Type

☐ Adult Signature ☐ Registered Mail[®]

☒ Certified Mail[®] ☐ Registered Mail Restricted Delivery

☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise

☐ Collect on Delivery ☒ Signature Confirmation[™]

☐ Insured Mail ☐ Collect on Delivery Restricted Delivery

☐ Insured Mail Restricted Delivery

Domestic Return Receipt

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Danny Fletcher, being first duly
sworn, on oath says:

That he is the Publisher of the
Carlsbad Current-Argus, a
newspaper published daily at the
City of Carlsbad, in said county of
Eddy, state of New Mexico and of
general paid circulation in said
county; that the same is a duly
qualified newspaper under the laws
of the State wherein legal notices
and advertisements may be
published; that the printed notice
attached hereto was published in the
regular and entire edition of said
newspaper and not in supplement
thereof on the date as follows, to wit:

January 18 2018

That the cost of publication is
\$158.30 and that payment thereof
has been made and will be
assessed as court costs.

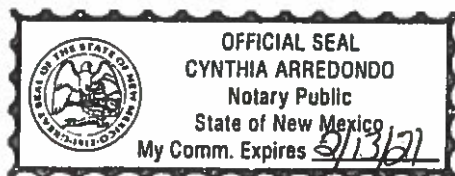


Subscribed and sworn to before me
this 23 day of January, 2018



My commission Expires 2/13/21

Notary Public



January 18, 2018
STATE OF NEW MEXICO
ENERGY, MINERALS
AND NATURAL
RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION
SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on February 8, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by January 29, 2018. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF
NEW MEXICO TO:
All named parties and
persons having any
right, title, interest or
claim in the following
cases and notice
to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All offset owners and pooled parties, including: Turner Royalties, LLC; COG Operating, LLC; Concho Oil & Gas LLC; Read & Stevens, LLC; Read & Stevens, Inc.; CBR Oil Properties, LLC.

Case No. 15931: Application of Matador Production Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 152.78-acre non-standard spacing and proration unit comprised of the N/2 S/2 of Section 19, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit is to be project area for two proposed initial wells, to be drilled and completed simultaneously: the proposed Marbob 19 State Cor. No. 123H Well and the proposed Marbob 19 State Cor. No. 133H Well. These wells will be horizontally drilled from a surface location in the NW/4 SW/4 (Lot 2) to a standard bottom hole location in NE/4 SE/4 (Unit 1) of Section 19. The completed interval each well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the wells and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles northeast of Carlsbad, N.M.