

PROPOSED ADVERTISEMENT

Case No. 20265:

***Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 36 and SE/4 of Section 25, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to

- (a) the Ray State Com. Well No.203H, with a first take point in the SW/4SE/4 of Section 36 and a final take point in the NW/4SE/4 of Section 25;
- (b) the Ray State Com. Well No.204H, with a first take point in the SE/4SE/4 of Section 36 and a final take point in the NE/4SE/4 of Section 25;
- (c) the Ray State Com. Well No.217H, with a first take point in the SW/4SE/4 of Section 36 and a final take point in the NW/4SE/4 of Section 25;
- (d) the Ray State Com. Well No.223H, with a first take point in the SW/4SE/4 of Section 36 and a final take point in the NW/4SE/4 of Section 25; and
- (e) the Ray State Com. Well No.224H, with a first take point in the SE/4SE/4 of Section 36 and a final take point in the NE/4SE/4 of Section 25.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 3 miles east-northeast of Loving, New Mexico.