



**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

May 21, 2015

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application a for non-standard unit, *etc.*, filed with the New Mexico Oil Conservation Division by Matador Production Company, regarding a well in the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This matter is scheduled for hearing at 8:15 a.m. on Thursday, June 11, 2015, at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. **The Division requires applicant to notify offset operators or working interest owners of the non-standard unit portion of the application, and you offset the well unit.** As an offset operator or lessee, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date.

You are required to notify (in writing) the Division, and the undersigned, by Thursday, June 4, 2015 if you intend to participate in the hearing.

Very truly yours,

  
James Bruce

Attorney for Matador Production Company

Attachment A

EXHIBIT A

Featherstone Development Corp.  
Suite 850  
400 North Pennsylvania  
Roswell, New Mexico 88201

Round Hill Royalty Ltd.  
P.O. Box 25128  
Dallas, Texas 75225

Nadel and Gussman Permian, LLC  
Suite 508  
601 North Marienfeld  
Midland, Texas 79701

Linn Operating, Inc.  
Suite 4900  
600 Travis  
Houston, Texas 77002

Marshall & Winston, Inc.  
P.O. Box 50880  
Midland, Texas 79710

COG Operating LLC  
One Concho Center  
600 West Illinois Avenue  
Midland, Texas 79701

Sundown Energy, LP  
Suite 1200  
2601 NW Expressway  
Oklahoma City, Oklahoma 73112

**SENDER: COMPLETE THIS SECTION**

**COMPLETE THIS SECTION ON DELIVERY**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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.

A. Signature  Agent  Addressee  
*Janine K. Thum*

B. Received by (Printed Name) C. Date of Delivery  
*Janine K. Thum* *5-21-15*

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

*Mailing address*  
 P.O. Box 429 Roswell NM 88202

3. Service Type  
 Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

Featherstone Development Corp.  
 Suite 850  
 400 North Pennsylvania  
 Roswell, New Mexico 88201

2. Article Number  
 (Transfer from service label)

7013 3020 0000 4603 0397

PS Form 3811, July 2013

Domestic Return Receipt *Mat*

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

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

Sent To Nadel and Gussman Permian, LLC  
 Suite 508  
 Street, Apt. No., or PO Box No. 601 North Marienfeld  
 Midland, Texas 79701  
 City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

7013 3020 0000 4603 0397

7013 3020 0000 4603 0397

**U.S. Postal Service™**  
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**OFFICIAL USE**

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

Sent To Featherstone Development Corp.  
 Suite 850  
 Street, Apt. No., or PO Box No. 400 North Pennsylvania  
 Roswell, New Mexico 88201  
 City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

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- Attach this card to the back of the mailpiece, or on the front if space permits.

A. Signature  Agent  Addressee  
*S. Chom*

B. Received by (Printed Name) C. Date of Delivery  
*S. Chom* *5-21-15*

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

1. Article Addressed to:

Nadel and Gussman Permian, LLC  
 Suite 508  
 601 North Marienfeld  
 Midland, Texas 79701

2. Article Number  
 (Transfer from service label)

7013 3020 0000 4603 0373

PS Form 3811, July 2013

Domestic Return Receipt *Mat*

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:		B. Received by (Printed Name) <i>TRINITY STRUP</i>	
Marshall & Winston, Inc. P.O. Box 50880 Midland, Texas 79710		C. Date of Delivery <i>5/21/15</i>	
2. Article Number		D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No	
(Transfer from service label) <i>7013 3020 0000 4603 0335</i>		If YES, enter delivery address below: <input type="checkbox"/> Yes <input type="checkbox"/> No	
PS Form 3811, July 2013		3. Service Type	
Domestic Return Receipt <i>Mar</i>		<input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
MAY 21 2015 SANTAFE MAIN POST OFFICE	
Postage \$	Here
Certified Fee	Here
Return Receipt Fee (Endorsement Required)	Here
Restricted Delivery Fee (Endorsement Required)	Here
Total Postage & Fees \$	
Sent To	COG Operating LLC
Street, Apt. No., or PO Box No.	One Concho Center
City, State, ZIP+4	600 West Illinois Avenue Midland, Texas 79701
PS Form 3800, August 2006	See Reverse for Instructions

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>	
<b>OFFICIAL USE</b>	
MAY 21 2015 SANTAFE MAIN POST OFFICE	
Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent To	Marshall & Winston, Inc.
Street, Apt. No., or PO Box No.	P.O. Box 50880
City, State, ZIP+4	Midland, Texas 79710
PS Form 3800, August 2006	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
1. Article Addressed to:		B. Received by (Printed Name) <i>Cynthia Hernandez</i>	
COG Operating LLC One Concho Center 600 West Illinois Avenue Midland, Texas 79701		C. Date of Delivery <i>5/27</i>	
2. Article Number		D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No	
(Transfer from service label) <i>7013 3020 0000 4603 0328</i>		If YES, enter delivery address below: <input type="checkbox"/> Yes <input type="checkbox"/> No	
PS Form 3811, July 2013		3. Service Type	
Domestic Return Receipt <i>Mar</i>		<input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

**SENDER: COMPLETE THIS SECTION**

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- 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:

Sundown Energy, LP  
 Suite 1200  
 2601 NW Expressway  
 Oklahoma City, Oklahoma 73112

2. Article Number  
 (Transfer from service label)

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
*X Sharon Foote*

B. Received by (Printed Name) *Sharon Foote* C. Date of Delivery *5-26-15*

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

3. Service Type  
 Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)  Yes

PS Form 3811, July 2013 Domestic Return Receipt *Max*

7013 3020 0000 4603 0311

ET02 020E 0000 4609 ETD0

**U.S. Postal Service™**  
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**OFFICIAL USE**

MAY 24 2015  
 SANTA FE  
 MAIN POST OFFICE

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

Sent To: Sundown Energy, LP  
 Suite 1200  
 Street, Apt. No., or PO Box No.: 2601 NW Expressway  
 City, State, ZIP+4: Oklahoma City, Oklahoma 73112

PS Form 3800, August 2006 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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:

Linn Operating, Inc.  
 Suite 4900  
 600 Travis  
 Houston, Texas 77002

2. Article Number

(Transfer from service label)

7013 3020 0000 4603 0342

PS Form 3811, July 2013

Domestic Return Receipt

*Met***COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Signature]*

- Agent  
 Addressee

B. Received by (Printed Name)

C. Date of Delivery  
 27 2015

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

3. Service Type

- Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)

 Yes

U.S. Postal Service  
**CERTIFIED MAIL™ RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postmark Here  
 MAY 21 2015  
 SANTA FE  
 MAIN POST OFFICE

Sent to: Round Hill Royalty Ltd.  
 P.O. Box 25128  
 Dallas, Texas 75225  
 City, State, ZIP+4

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

13 3020 0000 4603 0340

**U.S. Postal Service  
CERTIFIED MAIL™ RECEIPT**

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE  
MAY 21 2015

Postage \$

Certified Mail Fee

Return Receipt Fee (Endorsement Required)

Restricted Delivery Fee (Endorsement Required)

Total Postage &amp; Fees \$

Sent To

Linn Operating, Inc.  
 Suite 4900  
 600 Travis  
 Houston, Texas 77002

Street, Apt. No., or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006

See Reverse for Instructions

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- 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:

Round Hill Royalty Ltd.  
 P.O. Box 25128  
 Dallas, Texas 75225

2. Article Number

(Transfer from service label)

7013 3020 0000 4603 0380

PS Form 3811, July 2013

Domestic Return Receipt

*Met***COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Signature]*

- Agent  
 Addressee

B. Received by (Printed Name)

C. Date of Delivery

*Seth Woodruff*  
 5/29/15

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

3. Service Type

- Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)

 Yes

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

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

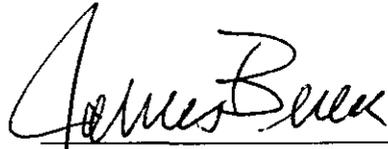
Case No. 15,320

**AFFIDAVIT OF NOTICE**

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

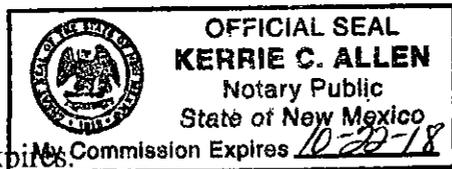
James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for MRC Permian Company.
3. MRC Permian Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owner, at its correct address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

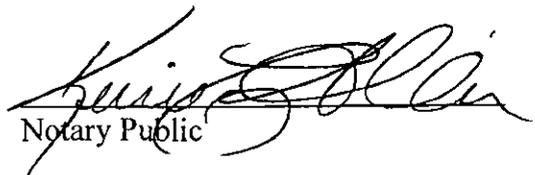


James Bruce

SUBSCRIBED AND SWORN TO before me this 9<sup>th</sup> day of June, 2015 by James Bruce.



My Commission Expires

  
Notary Public

Oil Conservation Division  
Case No. \_\_\_\_\_  
Exhibit No. \_\_\_\_\_

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

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(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

May 21, 2015

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002

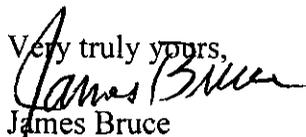
Attention: Larry R. Angle

Ladies and gentlemen:

Enclosed is a copy of an application for compulsory pooling and a non-standard oil spacing and proration unit, filed with the New Mexico Oil Conservation Division by Matador Production Company, regarding a well in the E½E½ of Section 8, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, June 11, 2015, in Porter Hall at the Division's offices at 1220 South St. 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 contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, June 4, 2015. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,  
  
James Bruce

Attorney for Matador Production Company

Attachment

A

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)  
 For delivery information, visit our website at www.usps.com

**OFFICIAL USE**

7013 3020 0000 4603 0304

Return Receipt Fee (Endorsement Required) \$  
 Restricted Delivery Fee (Endorsement Required) \$  
 Total Postage & Fees \$

Postmark Here  
 MAY 21 2015  
 USPS SANTA FE NM 87501

Sent To  
 Street, Apt. No., or PO Box No. Chevron U.S.A. Inc.  
 1400 Smith Street  
 City, State, ZIP+4 Houston, Texas 77002

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee
1. Article Addressed to:  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">             Chevron U.S.A. Inc.              1400 Smith Street              Houston, Texas 77002           </div>	B. Received by (Printed Name) _____ C. Date of Delivery _____
2. Article Number (Transfer from service label) <b>7013 3020 0000 4603 0304</b>	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No  3. Service Type <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
PS Form 3811, July 2013 Domestic Return Receipt <i>MAT-H</i>	

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
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SANTA FE, NEW MEXICO 87501

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[jamesbruce@aol.com](mailto:jamesbruce@aol.com)

May 21, 2015

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Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002

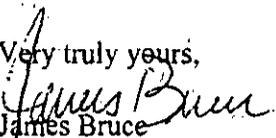
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Attorney for Matador Production Company

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ATTORNEY AT LAW

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[jamesbruce@aof.com](mailto:jamesbruce@aof.com)

May 21, 2015

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

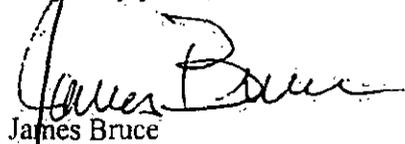
To: Persons on Exhibit A

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Very truly yours,



James Bruce

Attorney for Matador Production Company

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Dallas, Texas 75225

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Suite 508  
601 North Marienfeld  
Midland, Texas 79701

Linn Operating, Inc.  
Suite 4900  
600 Travis  
Houston, Texas 77002

Marshall & Winston, Inc.  
P.O. Box 50880  
Midland, Texas 79710

COG Operating LLC  
One Concho Center  
600 West Illinois Avenue  
Midland, Texas 79701

Sundown Energy, LP  
Suite 1200  
2601 NW Expressway  
Oklahoma City, Oklahoma 73112

RECEIVED OCU

2015 MAY 12 P 3:56

**JAMES BRUCE**  
ATTORNEY AT LAW

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[jamesbruce.com](http://jamesbruce.com)

May 12, 2015

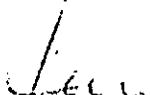
*Case 15320*

Florence Davidson  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Florence:

Enclosed for filing, on behalf of Matador Production Company, is an application for compulsory pooling, etc., together with a proposed advertisement. Please set this matter for the June 11, 2015 Examiner hearing. Thank you.

Very truly yours,

  
James Bruce

Attorney for Matador Production Company

Parties Being Pooled

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002

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

2015 MAY 12 P 3 56

Case No. 15320

**APPLICATION**

Matador Production Company (OGRID No. 228937) applies for an order (i) approving a 160 acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and (ii) pooling all mineral interests in the Bone Spring formation underlying the non-standard unit, and in support thereof, states

1. Applicant is an operator in the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8, and has the right to drill a well thereon.

2. Applicant proposes to drill the Hibiscus State Com. 08-19S-35E RN Well No. 124H (API No. 30-025-42502) to a depth sufficient to test the Bone Spring formation (Scharb-Bone Spring Pool; Pool Code 55610). Applicant seeks to dedicate the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8 to the well to form a non-standard 160 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40 or 80 acre spacing within that vertical extent

3. The well is a horizontal well with a surface location 200 feet from the south line and 352 feet from the east line of adjoining Section 5. The penetration point will be 330 feet from the north line and 350 feet from the east line, with a final perforation 330 feet from the south line and 350 feet from the east line, and a terminus 260 feet from the south line and 350 feet from the ~~south~~ <sup>east</sup> line of Section 8. The well location is unorthodox under the special pool

rules for the Scharb-Bone Spring Pool, and applicant has obtained approval of the unorthodox location by Division Administrative Order NSL-7270.

4. Applicant has in good faith sought the voluntary joinder of all other mineral interest owners in the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8 for the purposes set forth herein.

5. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8, pursuant to NMSA 1978 §§70-2-17, 18.

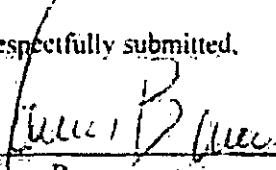
6. Approval of the non-standard unit, and the pooling of all mineral interests in the Bone Spring formation underlying the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that this application be set for hearing on June 11, 2015 and, after notice and hearing, the Division enter its order.

- A. Approving a non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 8;
- B. Pooling all mineral interests in the Bone Spring formation underlying the non-standard oil spacing and proration unit (project area);
- C. Designating Matador Production Company as operator of the well;
- D. Considering the cost of drilling and completing the well, and allocating the costs among the well's working interest owners;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

F. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

  
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PROPOSED ADVERTISEMENT

Case No. 15320:

**Application of Matador Production Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2E/2 of Section 8, Township 19 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 or 80 acre spacing within that vertical extent. The unit will be dedicated to the Hibiscus State Com. 08-19S-35E RN Well No. 124H. The well is a horizontal well with a surface location 200 feet from the south line and 352 feet from the east line of adjoining Section 5. The penetration point will be 330 feet from the north line and 350 feet from the east line, with a final perforation 330 feet from the south line and 350 feet from the east line, and a terminus 260 feet from the south line and 350 feet from the ~~east~~ <sup>east</sup> line, of Section 8. Also to be considered will be the cost of drilling and completing the well 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 well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 12-1/2 miles west-northwest of Monument, New Mexico.

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