

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

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

Case No. 15,363.

MATADOR PRODUCTION COMPANY'S  
RESPONSE TO MOTION FOR CONTINUANCE

Matador Production Company ("Matador") submits this response to the Motion for continuance filed by Jalapeno Corporation ("Jalapeno") and Yates Energy Corporation ("Yates").

1. In this case Matador seeks approval of a non-standard spacing and proration unit in the Wolfcamp formation comprised of the W/2W/2 §31-18S:35E, and the pooling of all uncommitted interests in the non-standard unit. Matador has been negotiating with Jalapeno and Yates for five months to obtain their voluntary joinder in the well.

2. Jalapeno and Yates have filed a Motion for Continuance, requesting that this case be continued to an unspecified date. Matador initially objected to the continuance, because it needs a pooling order so that it can commence its well in October. (Matador is also negotiating with a number of parties other than Jalapeno and Yates.)

3. Personnel from Matador contacted Jalapeno today to further discuss the well proposal. Matador has re-considered its objection, and is now agreeable to a continuance, provided that the case is heard at the Examiner hearing scheduled for September 3, 2015. That date provides the parties with sufficient time to prepare for hearing. Any later date will require Matador to again move the well from its drilling schedule.

4. In addition, Matador will be requesting an expedited order from the Division.

5. Because it has agreed to a continuance, Matador will not address the specifics of the Motion for Continuance.

WHEREFORE, Matador requests that the Division continue the above case to the Examiner hearing scheduled for September 3, 2015.

Respectfully submitted,



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Attorney for Matador Production Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served on the following counsel of record this 13<sup>th</sup> day of August via e-mail.

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