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**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,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 15433**

**AMENDED PRE-HEARING STATEMENT**

NEARBURG PRODUCING COMPANY and NEARBURG EXPLORATION COMPANY, L.L.C., ("Nearburg"), provide this Amended Pre-Hearing Statement as required by the rules of the Division.

**APPEARANCES**

NEARBURG PRODUCING COMPANY  
and  
NEARBURG EXPLORATION COMPANY,  
L.L.C.

NEARBURG PRODUCING  
COMPANY'S ATTORNEY

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APPLICANT

MATADOR PRODUCTION COMPANY

APPLICANT'S ATTORNEY

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## STATEMENT OF THE CASE

Applicant Matador Production Company seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 32, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted mineral interests in the Bone Spring formation.

## OPPONENT'S STATEMENT

Nearburg opposes the Application in this matter for the reason that the interests in the S/2 of Section 32, including the lands to be dedicated to the proposed non-standard spacing and proration unit, are subject to a pre-existing voluntary pooling agreement and are not available to be forced pooled. Nearburg also contends that project economics do not warrant the drilling of the subject well and therefore the Division would be unable to issue a pooling order on such terms and conditions as would be just and reasonable. Pursuant to 19.15.13.8.D NMAC, Nearburg will propose a lower risk charge than sought by Matador in its Application.

## PROPOSED EVIDENCE

<u>OPPONENT:</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
NEARBURG PRODUCING COMPANY NEARBURG EXPLORATION COMPANY, L.L.C.		

### WITNESSES:

Randy Howard, Land Manager	20 min.	3
Tim Speer, Petroleum Engineer	45 min.	10

## PROCEDURAL MATTERS

Nearburg has filed a Motion To Dismiss Matador's Application which can be considered at the January 21, 2016 examiner hearing.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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*Attorneys for Nearburg Producing Company and  
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on January 19, 2016:

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