

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

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

**OCD Case No. 15363  
OCD Order R-14053**

**UNOPPOSED MOTION FOR STAY**

Jalapeno Corporation and Yates Energy Corporation ("Jalapeno") by and through counsel the Gallegos Law Firm, P.C., request that the Oil Conservation Commission ("Commission") stay consideration of Jalapeno's Application for Hearing De Novo filed October 22, 2015. Matador Production Company ("Matador") concurs in this Motion. The Oil Conservation Division ("Division") has no objection. As grounds, Jalapeno states as follows:

1. This force pooling proceeding was filed by applicant Matador on July 21, 2015.
2. Jalapeno filed a Motion to Dismiss the application on August 28, 2015. The Motion challenges the authority of the Division to force pool under the circumstances presented by the application. Matador opposed the Motion, and the Division held a hearing. On September 24, 2015, the Division entered its Order on Pre-hearing Motion which denied the Motion.
3. The Division held a hearing on the merits of Matador's force pooling application on September 29, 2015. The application is currently under consideration by the Division. The parties expect a decision in the near future. The parties believe that it is likely that one or both will file an application for hearing de novo from that decision.

4. Jalapeno filed its de novo application based on the Division's September 24 Order on October 22, 2015. The application has not yet been set for hearing before the Commission.

5. The parties agree that a stay of Jalapeno's October 22 de novo application would benefit both the Commission and the parties by allowing the Commission to hear all de novo applications in one proceeding. This procedure will avoid piecemeal hearings on matters arising out of the same facts and proceedings.

6. Once the Division issues its decision on the merits of Matador's application, and the parties determine whether a de novo application will be filed therefrom, the parties will move to lift the stay and request that the Commission set all pending de novo applications in one consolidated hearing.

7. A proposed Order is attached and will be submitted electronically in word format.

WHEREFORE, Jalapeno requests that the Commission stay consideration of its October 22, 2015 Application for Hearing De Novo pending issuance by the Division of its Order on the merits of Matador's force pooling application.

Respectfully submitted,

GALLEGOS LAW FIRM, P.C.

By

  
J.E. GALLEGOS

MICHAEL J. CONDON

460 St. Michael's Drive, Bldg. 300  
Santa Fe, New Mexico 87505  
(505) 983-6686

*Attorneys for Jalapeno Corporation and Yates  
Energy Corporation*

Approved:

Electronically Approved 11/05/15  
James Bruce  
Counsel for Matador Production Company

Electronically Approved 11/04/15  
Gabriel Wade  
Counsel for Oil Conservation Division

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail this 5<sup>th</sup> day of November, 2015.

James Bruce  
P.O. Box 1056  
Santa Fe, NM 87504  
jamesbruc@aol.com

  
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J.E. Gallegos