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jamesbruce@aol.com

November 1, 2016

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

Kathy Coleman #208H
15596

Dear Florene:

Enclosed for filing, on behalf of Matador Production Company, is an application for compulsory pooling and an unorthodox well location, together with a proposed advertisement. Please set this matter for the December 1, 2016 Examiner hearing. Thank you.

Very truly yours,

Jim
James Bruce

Attorney for Matador Production Company

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING AND
AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.**

Case No. 15596

APPLICATION

Matador Production Company applies for an order pooling all mineral interests in the Wolfcamp formation underlying the S½ of Section 14, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and approving an unorthodox gas well location, and in support thereof, states:

1. Applicant is an operator in the S½ of Section 14, and has the right to drill a well thereon.
2. Applicant proposes to drill its Kathy Coleman 14-23S-27E RB Well No. 208H to a depth sufficient to test the Wolfcamp formation (Forehand Ranch-Wolfcamp Gas Pool). Applicant seeks to dedicate the well to the S½ of Section 14 to form a standard 320 acre gas spacing and proration unit in the Wolfcamp formation. The well is a horizontal well, with a surface location 447 feet from the south line and 335 feet from the east line, a first perforation 331 feet from the south line and 330 feet from the east line, a final perforation 331 feet from the south line and 330 feet from the west line, and a terminus 331 feet from the south line and 240 feet from the west line, of Section 14. The producing interval of the well is unorthodox.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S½ of Section 14 for the purposes set forth herein.
4. 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

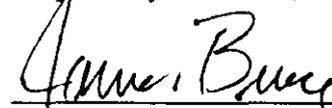
the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the S½ of Section 14, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Wolfcamp formation underlying the S½ of Section 14, and approval of the unorthodox well location, will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying the S½ of Section 14;
- B. Approving the unorthodox gas well location;
- C. Designating applicant as operator of the well;
- D. Considering the cost of drilling and completing the well, and allocating its cost 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,



James Bruce
Post Office Box 1056
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(505) 982-2043

Attorney for Matador Production Company

Name	Address	City/State/Zip
ABO Petroleum Corporation	P.O. Box 900	Artesia, NM 88211
Barbara Brown	10400 2nd Street, Unit D	Albuquerque, NM 87114
Craig Collins	3209 SW Belle Ave.	Topeka, KS 66614-4027
Dale Morgan Richardson	1916 S. Norwood	Independence, MO 64052
Linda Sue Richardson	13663 E. Asbury Dr. #104	Aurora, CO 80014
Lois M. Lundblade	13184 SE 124th Ave.	Clackamas, OR 97015
Mulberry Partners II LLP	PO Box 1290	Artesia, NM 88211
Oxy Y-1 Company	P.O. Box 4294	Houston, TX 77210-4294
Petro Quatro	428 Sandoval, #200	Santa Fe, NM 87501
Peyton Yates	105 4th Street	Artesia, NM 88210-2177
Richard Allen Swearingen	3444 NE Happy Hollow Road	Topeka, KS 66617
Richard Yates/ Tulipan	105 4th Street	Artesia, NM 88210-2177
Ronald Peace	P.O. Box 695	Holdenville, OK 74848
Sharlene Murphy	616 N. Burgess	Holdenville, OK 74848
Sonja Lopez	1081 Gobbler Drive	Holladay, TN 38341-2473
W. Thomas McRae	P.O. Box 16782	Denver, CO 80216
Yates Industries, LLC/ EOG Resources LLC	1111 Bagby, Sky Lobby 2	Houston, TX 77002
Yates Petroleum Corporation/ EOG Resources LLC	1111 Bagby, Sky Lobby 2	Houston, TX 77002
Evalyn Swearingen	R.R. 1- Box 146A	Jamestown, KS 66948
John A. Brown	3669 Seneca Circle	Las Vegas, NV 89109
Harry James Richardson	13663 E. Asbury Dr. #104	Aurora, CO 80014
Robert Dean Richardson	13663 E. Asbury Dr. #104	Aurora, CO 80014
James Collier III	1113 Shady Oaks Circle	McKinney, TX 75075
Gregory Collier	5731 NW 19th, #4	OK City, OK 73127
Eddy County	101 W. Greene Street, #110	Carlsbad, NM 88220
Oak Valley Mineral and Land, LP	4000 N. Big Spring, ste. 310	Midland, TX 79705
Crump Energy Partners II, LLC	4000 N. Big Spring, ste. 310	Midland, TX 79705
CEP Minerals, LLC	4000 N. Big Spring, ste. 310	Midland, TX 79705

Parties Being Pooled

PROPOSED ADVERTISEMENT

Case No. 15596 .

Application of Matador Production Company for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation (Forehand Ranch-Wolfcamp Gas Pool) underlying the S/2 of Section 14, Township 23 South, Range 27 East, NMPM, to form a standard 320 acre gas spacing and proration unit. The unit will be dedicated to the Kathy Coleman 14-23S-27E RB Well No. 208H. The well is a horizontal well, with a surface location 447 feet from the south line and 335 feet from the east line, a first perforation 331 feet from the south line and 330 feet from the east line, a final perforation 331 feet from the south line and 330 feet from the west line, and a terminus 331 feet from the south line and 240 feet from the west line, of Section 14. The producing interval of the well will be unorthodox. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 3-1/2 miles south-southeast of Otis, New Mexico.

Jones, William V, EMNRD

From: jamesbruc@aol.com
Sent: Tuesday, November 1, 2016 3:03 PM
To: Davidson, Florene, EMNRD; Salvidrez, Marlene, EMNRD
Cc: Jones, William V, EMNRD; darnold@matadorresources.com
Subject: 12/1 hearing
Attachments: Scan 77.pdf; matador-pad-fph-kathy coleman 208H.docx

Attached are an application and proposed ad (2 of 4) I am filing for Matador.

Jim