

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,
EDDY COUNTY, NEW MEXICO.

RECEIVED OGD
2011 AUG 24 P. 1:04
CASE NO. 15794

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

CASE NO. 15795

MATADOR's PRE-HEARING STATEMENT

Matador Production Company, the applicant in the above-referenced matter, submits this
Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Matador Production Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240

ATTORNEY

Michael H. Feldewert, Esq.
Jordan L. Kessler, Esq.
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

In Case No. 15794, Matador seeks an order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the N/2 N/2 of Section 32, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted mineral interests in the Bone Spring formation. The Unit will be the project area for the proposed **Pennzoil 32 Fed No. 131H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of

Section 33 to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 32. The completed interval for this well will remain within the 330-foot standard offset required by the rules.

In Case No. 15795, Matador seeks and order (1) creating a 160-acre, more or less, spacing and proration unit comprised of the S/2 N/2 of Section 32, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted mineral interests in the Bone Spring formation. The Unit will be the project area for the proposed **Pennzoil 32 Fed No. 132H Well**, which will be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 33 to a standard bottom hole location in the SW/4 NW/4 (Unit E) of Section 32. The completed interval for this well will remain within the 330-foot standard offset required by the rules.

APPLICANT'S PROPOSED EVIDENCE

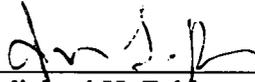
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Cassie Hahn, Landman	Approx. 15 minutes	Approx. 10
Andy Juett, Geologist	Approx. 15 minutes	Approx. 5

PROCEDURAL MATTERS

Matador Production Company respectfully requests that Case Nos. 15794 and 15795 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP



Michael H. Feldewert
Jordan L. Kessler
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
mfeldewert@hollandhart.com
jlkessler@hollandhart.com

~And~

Dana R. Arnold
Matador Resources Company
5400 Lyndon B. Johnson Freeway, Suite 1500
Dallas, TX 75240
(972) 371-5284
darnold@matadorresources.com

**ATTORNEYS FOR
MATADOR PRODUCTION COMPANY**