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.

CASE NO. 15899

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	ATTORNEY	
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APPLICANT'S STATEMENT OF CASE

In Case No. 15899, 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 21, 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 Cueva De Oro Fed No. 123H Well, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) to a

standard bottom hole location in the SW/4 SE/4 (Unit O) of Section 21. 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
Sam Pryor, Landman	Approx. 15 minutes	Approx.10
Andy Juett, Geologist	Approx. 15 minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

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~And~

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ATTORNEYS FOR MATADOR PRODUCTION COMPANY