

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

**APPLICATION OF MATADOR PRODUCTION
COMPANY TO AMEND ORDER NO. R-22041,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23265
ORDER NO. R-22041**

**APPLICATION OF MATADOR PRODUCTION
COMPANY TO AMEND ORDER NO. R-22042,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23266
ORDER NO. R-22042**

MATADOR'S CONSOLIDATED PRE-HEARING STATEMENT

Matador Production Company ("Matador" or "Applicant"), the applicant in the above-referenced matters, submits this Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Matador Production Company

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

Under **Case No. 23265**, Matador seeks an order to amend Order No. R-22041 (“Order”) to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-22041, entered on February 23, 2022, in Case No. 22204, created a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 24 South, Range 28 East, and the N/2 S/2 of Section 18, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Matador as operator of the Unit. Order No. R-22041 further pooled the uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring [50371]) in the Unit and dedicated the Unit to the proposed initial **Dr. Ellis #113H** (API No. 30-015-49223) and **Dr. Ellis #123H** (API No. 30-015-49222) wells.

There is good cause for Applicant’s request for an extension of time to drill these wells. Matador is also the operator of, and has received approved compulsory pooling orders regarding the Bone Spring formation in the adjacent spacing units, being (i) the N/2 N/2 of Section 13, Township 24 South, Range 28 East, and the N/2 N/2 of Section 18, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (NMOCD Order No. R-22045); (ii) the S/2 N/2 of Section 13, Township 24 South, Range 28 East, and the S/2 N/2 of Section 18, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (NMOCD Order No. 22046); and (iii) the S/2 S/2 of Section 13, Township 24 South, Range 28 East, and the S/2 S/2 of Section 18, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (NMOCD Order No. 22042).

Matador plans to co-develop the initial wells in each of the above-referenced spacing units along with the spacing unit under Order No. R-22041, in an effort to prevent waste and allow for more efficient development. However, although this application here

(Order No. R-22041) does not involve Federal acreage, the other three spacing units do require Federal APD (Order Nos. R-22045, R-22046, and R-22042), which have not yet been approved after Matador applied for Federal APDs in April 2022. Matador has separately filed applications with the NMOCD to extend its compulsory pooling orders for those other three spacing units. Accordingly, good cause exists for the extension requested to drill this well and allow time for those Federal APDs to be approved and to allow for the co-development of all four spacing units, thereby preventing waste and allowing for more efficient development.

Under **Case No. 23266**, Matador seeks an order to amend Order No. R-22042 (“Order”) to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-22042, entered on February 23, 2022, in Case No. 22205, created a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 S/2 of Section 13, Township 24 South, Range 28 East, and the S/2 S/2 of Section 18, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Matador as operator of the Unit. Order No. R-22042 further pooled the uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring [50371]) in the Unit and dedicated the Unit to the proposed initial **Kathy Kregor Fed Com #114H** (API No. 30-015-PENDING) well. There is good cause for Applicant’s request for an extension of time to drill this well. Matador filed permits with the Bureau of Land Management in April 2022 and has not yet received approval, thereby causing Matador to delay its intended plans to develop the acreage subject to the Order.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Hanna Bollenbach, Landman	Affidavit	Approx. 1

PROCEDURAL MATTERS

Matador requests that these matters be consolidated for hearing and intends to present these cases by affidavit if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 175581

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 175581
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>