

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

**SECOND AMENDED APPLICATION OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. _____
(formerly Case No. 20106)**

SECOND AMENDED APPLICATION

Matador Production Company (“Matador” or “Applicant”), as successor operator to Ridge Runner Resources Operating, LLC, files this amended application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation [Purple Sage Wolfcamp Gas Pool (Pool Code 98220)] underlying a standard 640-acre horizontal spacing unit comprised of the W/2 of Sections 27 & 34, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of the amended application, Matador states:

1. An affiliate of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed initial wells:

- **Warrior Fed Com #201H** to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 34.
- **Warrior Fed Com #202H** to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 22 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 34.

3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.

4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of these proposed horizontal wells and this horizontal spacing unit.

6. Pursuant to the Amended Prehearing Order entered in Case No. 20106, this matter has been set for a special hearing on October 7, 2020.

WHEREFORE, Applicant requests that after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

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**ATTORNEYS FOR MATADOR PRODUCTION
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