

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

**APPLICATIONS OF LEGACY RESERVES
OPERATING LP FOR A HORIZONTAL
SPACING UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO**

CASE NOS. 22226 -22229

**APPLICATIONS OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO**

CASE NOS. 22413 - 22416

**Legacy Reserves Operating LP Response in Opposition to
Matador Motion to Vacate, or Partially Vacate the Prehearing Order**

On April 14, 2022, Matador Production Company (“Matador”) submitted to the New Mexico Oil Conservation Division (“Division”) a Motion to Vacate, or Partially Vacate the Prehearing Order (“Motion”) for the captioned cases (“Subject Cases”). Legacy Reserves Operating LP (“Legacy”) respectfully requests that the Division deny Matador’s Motion to the extent it would result in a continuance of Case Nos. 22226-22229 (“Legacy Cases”), and in support of its request states the following.

1. Legacy has sought continuances on three separate occasions for its applications in the Legacy Cases in order to facilitate discussions and negotiations with other working interest owners, including Matador. Legacy requested the first continuance on October 22, 2021.
2. Legacy will be mobilizing a rig and moving the rig from Texas to drill the wells that are the subject of the Legacy Cases (“Sapphire Wells”), along with a group of wells in an adjacent unit (“Ruby Wells”), which are set for hearing in Case Nos. 22230 and 22231. It is most economic for all stakeholders to drill the Ruby Wells and the Sapphire wells sequentially, avoiding standby time to drill one unit at a later date.
3. The Ruby Wells and the Sapphire Wells are on Legacy’s drill schedule for late third quarter or early fourth quarter of 2022.

4. Legacy has invested a substantial amount of time and effort in putting together the units for the Ruby Wells and the Sapphire Wells.

5. Legacy has already had an on-site with the BLM for both the Ruby Wells and the Sapphire Wells, and have submitted a SUPO to the BLM.

6. The Division issued its prehearing order for the Subject Cases on January 10, 2022 more than three months ago, and set a hearing date of April 21, 2022 at that time.

7. Any marketing of Legacy's interests is irrelevant to a hearing, and immaterial to Matador's preparation for a hearing. Legacy is preparing to drill the Ruby Wells and the Sapphire wells and plans to drill them late third quarter or early fourth quarter of 2022.

8. For the foregoing reasons, Legacy respectfully requests that the Division DENY Matador's motion to the extent it would require a continuance of the Legacy Cases, and for any other relief it deems appropriate in this matter.

9. Legacy does not object to the partial vacation of the Prehearing Order in the Subject Cases, so as to remove Matador's Case Nos. 22413 – 22416 from the Prehearing Order, so long as the Legacy Cases are heard on April 21, 2022.

10. In the event that the Division determines to continue the Legacy Cases, Legacy respectfully requests that the Division set the Subject Cases for hearing on the following dates, in order of preference:

- a. At a special hearing on Friday, May 6, 2022;
- b. At a special hearing on Friday, May 20, 2022;
- c. At a special hearing on Friday, June 3, 2022; or
- d. At the next earliest available opportunity.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.



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Certificate of Service

I hereby certify that on April 15, 2022, I caused a true and correct copy of the foregoing to be emailed to:

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