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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22983

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22984

MATADOR'S CONSOLIDATED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT ATTORNEY

Matador Production Company Michael H. Feldewert

Adam G. Rankin Julia Broggi Paula M. Vance Holland & Hart, LLP

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com pmvance@hollandhart.com

APPLICANT'S STATEMENT OF THE CASE

Under these consolidated cases, Matador seeks orders pooling all uncommitted interests in the Bone Spring formation (WC-025 G-07 S223505N; BONE SPRING [98136]) underlying the referenced acreage all in Township 23 South, Range 35 East, NMPM, Lea County, New Mexico, as follows:

- Under Case 22983, Matador seeks to pool a standard 400-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 4 and the W/2 W/2 of Sections 9 and 16 and initially dedicate this Bone Spring spacing unit to the proposed Marlan Downey State Com #121H well, to be drilled from a surface location in the N/2 SW/4 of Section 4 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 16. This 400-acre horizontal well spacing unit will overlap the following existing horizontal well spacing units covering portions of the subject acreage:
 - A 159.97-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 9, Township 23 South, Range 35 East, dedicated to the Marlan Downey State 09-23S-35E AR #111H well (API: 30-025-44201);
 and
 - O A 160.09-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 16, Township 23 South, Range 35 East, dedicated to the Pegasus 23-35-16 State #251H well (API: 30-025-44199).
- Under Case 22984, Matador seeks to pool a standard 400-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 4 and the E/2 W/2 of Sections 9 and 16 and initially dedicate this Bone Spring spacing unit to the proposed Marlan Downey

State Com #122H well, to be horizontally drilled from a surface location in the N/2 SW/4 of Section 4 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 16.

The completed interval for each of the wells will comply with statewide setbacks for oil wells.

Matador has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Sara Hartsfield, Landman	Affidavit	Approx. 7
Blake Herber, Geologist	Affidavit	Approx. 4

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:

Michael H. Feldewert Adam G. Rankin Julia Broggi Paula M. Vance Post Office Box 2208

Santa Fe, NM 87504

505-998-4421

505-983-6043 Facsimile

mfeldewert@hollandhart.com

agrankin@hollandhart.com

jbroggi@hollandhart.com

pmvance@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 138159

QUESTIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	138159
	Action Type:
l l	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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