

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

**APPLICATION OF MATADOR PRODUCTION  
COMPANY FOR AUTHORIZATION TO  
DEEPEN THE SALT PROTECTION STRING  
REQUIRED BY DIVISION ORDER NO. R-111-  
P, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22999**

**MATADOR'S PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Matador Production Company

**ATTORNEY**

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**OTHER PARTIES**

NONE

**ATTORNEY**

**APPLICANT'S STATEMENT OF THE CASE**

Matador seeks an order authorizing the salt protection string required by R-111-P(D)(3)(a) to extend deeper than six hundred (600) feet below the base of the salt section for horizontal wells that it proposes to drill from surface locations within the S/2 S/2 of Section 33, Township 20 South,

Range 33 East, NMPM, Lea County, New Mexico. The S/2 S/2 of Section 33 is located within the Potash Area defined by Division Order R-111-P. Accordingly, absent an exception from the Division, R-111-P(D)(3)(a) requires the following salt protection string when drilling from this location:

**SALT PROTECTION STRING:**

(a) A salt protection string of new or used oil field casing in good condition shall be set not less than one hundred (100) feet nor more than six hundred (600) feet below the base of the salt section; provided that such string shall not be set below the top of the highest known oil or gas zone. With prior approval of the OCD District Supervisor the wellbore may be deviated from the vertical after completely penetrating Marker Bed No. 126 (USGS) but that section of the casing set in the deviated portion of the wellbore shall be centralized at each joint.

Matador seeks approval to use a three-string design extending the salt protection string deeper than six hundred (600) feet below the base of the salt section to no deeper than 100' below the top of the Cherry Canyon formation. Matador's wells will be drilled from a drilling island approved by the Bureau of Land Management, the potash lessees in the Known Potash Leasing Area and by oil and gas operators in the area. There are no potash leases within a mile of the S/2 S/2 of Section 33.

Approval of this application will allow the efficient drilling of horizontal wells from this surface location without unduly diminishing commercial potash reserves in the area.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Sam Pryor, Landman	Affidavit	Approx. 3
Andrew Parker, Geologist	Affidavit	Approx. 4

**PROCEDURAL MATTERS**

Matador intends to present this matter by affidavit if there is no opposition at the time of hearing but will have the witnesses available in the event the Examiners have any questions.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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QUESTIONS

Action 138060

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 138060
	Action Type: [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.