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

APPLICATION OF MATADOR PRODUCTION COMPANY TO REOPEN CASE NO. 20906 FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

Case No. 22303

APPLICATION OF MATADOR PRODUCTION COMPANY TO REOPEN CASE NO. 20907 FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

Case No. 22304

APPLICATION OF MATADOR PRODUCTION COMPANY TO REOPEN CASE NO. 20910 FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

**Case No. 22307** 

APPLICATION OF MATADOR PRODUCTION COMPANY TO REOPEN CASE NO. 20911 FOR COMPULSORY POOLING EDDY COUNTY, NEW MEXICO

Case No. 22308

## **NOTICE OF INTERVENTION**

COMES NOW, Abadie & Schill, PC, (Darin C. Savage, William E. Zimsky, Paula M. Vance, and Andrew D. Schill), and hereby files with the New Mexico Oil Conservation Division ("Division") this Notice of Intervention on behalf of Devon Energy Production Company, L.P., ("Devon") in the above-referenced cases.

In support of its intervention, Devon states the following:

1. Devon has filed applications for its Tiger Paw wells in Case Nos. 21967,

21969, 21971, 21972, 21973, and 21981, which were filed in May of 2021 for pooling interests in both the Bone Spring and Wolfcamp formations underlying the E/2 SE/4 of Section 22 and the N/2 and S/2 of Sections 23 and 24, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, and developing these lands. Matador Production Company ("Matador") has filed applications for its Michael K&B Wells in Case Nos. 22303, 22304, 22307 and 22308 for the purpose of reopening Case Nos. 20906, 20907, 20910, and 20911, respectively, and pooling interests in both the Bone Spring and Wolfcamp formation underlying the S/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Currently, Devon's applications, due to a prior continuance, are scheduled to be heard on December 16, 2021.

- 2. There is overlap of these proposed units in the E/2 SE/4 of Section 22, and Devon appealed to the BLM for reconsideration of Matador's Michael K&B Development Area involving the subject units and lands; Devon prevailed in its appeal and the cases have been remanded to the Carlsbad BLM office for review of the development plan with respect to drilling island accessibility, proper length of laterals, and size of the Development Area, all of which have yet to receive final approval.
- 3. Although Matador's proposed units were pooled in Case Nos. 20906, 20907, 20910, and 20911, the Michael K&B Wells have not been drilled nor have the APDs been approved. Hence, the proper development of these units and lands in the potash area are in dispute and waiting for a final ruling by the BLM, which could directly affect the size of the proposed Development Area and units. Consequently, Devon is submitting this Notice of Intervention and opposes the hearing of Matador's cases until the BLM has the opportunity to review the development plan of Devon and Matador and issue final rulings. The determination of proper drilling locations, accessibility and lateral lengths has direct bearing

on production, the prevention of waste, protection of correlative rights, and protection of the environment pursuant to NMAC 19.15.4.11A-C. One issue, among others, in the remand is the proper length of Matador's laterals and size of the development area in the S/2 of Sections 21 and 22, which directly impacts waste and correlative rights.

- 4. The Division is scheduled to hear Matador's cases on November 4, 2021. Pursuant to NMAC 19.15.4.11A, a party may intervene by filing a notice of intervention at least one business day before the date for filing a pre-hearing statement. Devon respectfully submits that it satisfies this requirement.
- 5. For the foregoing reasons, Devon respectfully requests that the Division accept its Notice of Intervention for Case Nos. 22303, 22304, 22307, and 22308.

Respectfully Submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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**Attorneys for Devon Energy Production** Company, L.P.

2021:

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on October 27,

James Bruce
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/s/ Paula M. Vance
Paula M. Vance