

CONTINUED FROM AUGUST 25, 2016.

CASE 15363: De Novo

Application of Matador Production Company for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a 154.28-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of Lots 1-4 (the W/2 W/2) of Section 31, Township 18 South, Range 35 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the Airstrip 31 18 35 RN State Com. Well No. 201H, a horizontal well with a surface location in Lot 4, and a terminus in Lot 1, of Section 31. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 15 miles west-northwest of Monument, New Mexico. Upon applications of Jalapeno Corporation and Matador Production Company, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC, appealing both Order No. R-14053 and No. R-14053-B.