

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

**IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION DIVISION FOR THE  
PURPOSE OF CONSIDERING:**

**APPLICATION OF MATADOR PRODUCTION COMPANY  
FOR APPROVAL OF A NON-STANDARD SPACING  
AND PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 15771**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Matador Production Company  
Suite 1500  
5400 LBJ Freeway  
Dallas, Texas 75240

Attention: Dana Arnold  
(972) 371-5284

**APPLICANT'S ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

**OPPONENT**

**OPPONENT'S ATTORNEY**

**STATEMENT OF THE CASE**

**APPLICANT**

Applicant seeks an order approving a 159.68-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 2, S/2NE/4, and SE/4NW/4 (the S/2N/2) of Section 18, Township 24 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area). The unit is to be dedicated to the Zach McCormick Fed Com. Well No. 122H, a horizontal well with a surface location in the SE/4NE/4 of adjoining Section 13 (Township 24 South, Range 28 East, NMPM), with a first take point in Lot 2, and a terminus in the SE/4NE/4, of Section 18. The producing interval will be orthodox. 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.

OPPONENT

**PROPOSED EVIDENCE**

APPLICANT

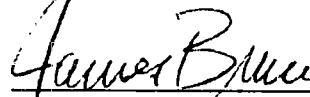
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBIT</u>
Chris Carleton (landman)	15 min.	Approx. 8
Clark Collier (geologist)	15 min.	Approx. 4

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

Respectfully submitted,



James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Matador Production Company