

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

APPLICATION OF MATADOR PRODUCTION COMPANY  
FOR A NON-STANDARD SPACING AND PRORATION UNIT  
IN THE PURPLE SAGE POOL, A NON-STANDARD SPACING  
AND PRORATION UNIT FOR COMPULSORY POOLING, AND  
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

RECEIVED  
2010 JAN 18 PM 4:02  
CASE NO. 15954

MATADOR'S PRE-HEARING STATEMENT

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

ATTORNEY

Michael H. Feldewert, Esq.  
Jordan L. Kessler, Esq.  
Holland & Hart, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

Matador seeks an order (1) authorizing a non-standard spacing unit in the Purple Sage Wolfcamp Gas Pool (98220); (2) creating a 328.09-acre, more or less, spacing and proration unit in the Purple Sage Pool comprised of the N/2 S/2 of Section 11 and the N/2 S/2 of Section 12, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (3) pooling all uncommitted mineral interests in the Wolfcamp formation underlying this acreage. The Unit will be the project area for the proposed **David Edelstein State Com No. 203H Well**, which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit I) of Section 12 to a standard

bottom hole location in the NW/4 SW/4 (Unit L) of Section 11. The Division's district office has placed this well in the Purple Sage Wolfcamp Gas Pool (Pool Code 98220), which is subject to Special Rules pursuant to Order R-14262. The Special Rules for the Purple Sage Pool require 320-acre standard spacing for all wells. Matador requests approval of a non-standard 328.09-acre spacing unit due to existing wells in the Wolfcamp formation in the S/2 S/2 of Sections 11 and 12. The completed interval for this well will remain within the 330-foot standard offset required by the Special Rules.

**APPLICANT'S PROPOSED EVIDENCE**

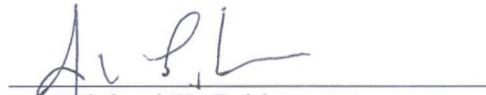
<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Sara Hartsfield, Landman	Approx. 10 minutes	Approx. 8
Clark Collier, Geologist	Approx. 10 minutes	Approx. 4

**PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



Michael H. Feldewert  
Jordan L. Kessler  
Adam G. Rankin  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
*mfeldewert@hollandhart.com*  
*jlkessler@hollandhart.com*  
*agrarkin@hollandhart.com*

~And~

Dana R. Arnold  
Kyle Perkins  
Matador Resources Company  
5400 Lyndon B. Johnson Freeway, Suite 1500  
Dallas, TX 75240  
(972) 371-5284  
*darnold@matadorresources.com*  
*kperkins@matadorresources.com*

**ATTORNEYS FOR MATADOR PRODUCTION COMPANY**