

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 COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case No. 16082

APPLICATION OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Case No. 16083

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: Kyle Perkins
(972) 371-5202

APPLICANT'S ATTORNEY

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

OPPONENT

Marathon Oil Permian LLC

OPPONENT'S ATTORNEY

Modrall Law Firm

STATEMENT OF THE CASE

APPLICANT

Case No. 16082: Matador Production Company seeks an order approving a 320 acre gas spacing and proration unit in the Wolfcamp formation underlying the E/2 of Section 1, Township 23 South, Range 27 East, NMPM, and pooling all mineral interests in the Wolfcamp formation

underlying the gas spacing and proration unit. The unit will be dedicated to (i) The Larry Wolfisch 01-23S-27E RB Well No. 204H, a horizontal well with a surface location in the SE/4SE/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., and a terminus in the SE/4SE/4 of Section 1; and (ii) The Larry Wolfisch 01-23S-27E RB Well No. 224H, a horizontal well with a surface location in the SE/4SE/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., and a terminus in the SE/4SE/4 of Section 1. The producing interval of each well will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case No. 16083: Matador Production Company seeks an order approving a 320 acre gas spacing and proration unit in the Wolfcamp formation underlying the W/2 of Section 1, Township 23 South, Range 27 East, NMPM, and pooling all mineral interests in the Wolfcamp formation underlying the gas spacing and proration unit. The unit will be dedicated to the Larry Wolfisch 01-23S-27E RB Well No. 206H, a horizontal well with a surface location in the SE/4SW/4 of Section 36, Township 22 South, Range 27 East, N.M.P.M., and a terminus in the SE/4SW/4 of Section 1. The producing interval of the well 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>EXHIBITS</u>
Sara Hartsfield (landman)	20 min.	Approx. 8
Andrew Parkers (geologist)	20 min.	Approx. 8

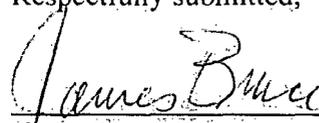
OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

PROCEDURAL MATTERS

Applicant requests that the matters be consolidated for hearing. Marathon has requested a continuance. Applicant will respond to the request shortly.

Respectfully submitted,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above a horizontal line.

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

Attorney for Matador Production Company