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:

CASE NO. 12594

APPLICATION OF MATADOR PETROLEUM CORPORATION FOR COMPULSORY POOLING AND AN UNORTHODOX SUBSURFACE WELL LOCATION, EDDY COUNTY, NEW MEXICO.

DIFEB 19 PM 3: 3

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Matador Petroleum Corporation

W. Thomas Kellahin, Esq. Post Office Box 2265

Santa Fe, New Mexico 87504-2265

OPPOSITION OR OTHER PARTY

ATTORNEY

Chevron U.S.A. Production Company

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STATEMENT OF CASE

APPLICANT

OPPOSITION OR OTHER PARTY

Chevron will request that the order provide for the subject well to be commenced within 90 days of the pooling order or the order becomes null and void.

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS (Name and expertise)

OPPOSITION

WITNESSES EST. TIME EXHIBITS (Name and expertise)

PROCEDURAL MATTERS

None.

Attorney for Chevron U.S.A. Production Co.

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of February, 2001, I have caused to be hand-delivered a copy of our Pre-Hearing Statement in the above-captioned case to the following counsel of record:

W. Thomas Kellahin, Esq.117 North Guadalupe StreetSanta Fe, New Mexico 87501

William F. Carr