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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. 10066

APPLICATION OF MATADOR PETROLEUM
CORPORATION FOR COMPULSORY POOLING
LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by MATADOR
PETROLEUM CORPORATION as required by the Oil Conservation
Division.

APPEARANCE OF PARTIES

APPLICANT
(name, address, phone
and contact person)

Matador Petroleum Corp.
Suite 158, Pecan Creek
8340 Meadow Road
Dallas, Texas 75231
Attn: David N. Frye
(214) 373-8792

ATTORNEY

W. Thomas Kellahin
KELLAHIN, KELLAHIN & AUBREY
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

OPPOSITION OR OTHER PARTY
(name, address, phone
and contact person)

ATTORNEY

STATEMENT OF CASE

APPLICANT

(please make a concise statement of what is being sought with this application and the reasons therefore.)

Matador Petroleum Corporation seeks an order pooling all mineral interests from the surface to the base of the Morrow formation or 13,600 feet, whichever is deeper, underlying the W/2 of Section 5, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Matador has sought the voluntary agreement with all working interest owners for the formation of appropriate spacing and proration units, but has been unable to obtain voluntary agreement from all parties.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement)

PROPOSED EVIDENCE

APPLICANT

WITNESSES (name and expertise)	EST. TIME	EXHIBITS
David N. Frye (landman)	15 min.	Documents to show efforts to obtain voluntary agreement
Joe Compton	20 min.	AFE and overhead costs Geology on risk factor

OPPOSITION

WITNESSES (name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to the hearing)

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

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 THE APPLICATION OF
MATADOR PETROLEUM CORPORATION
FOR COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO

Case No. 10066

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted on behalf of Pacific Enterprises Oil Company (USA) as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

Opponent: Pacific Enterprises Oil Company (USA)
Post Office Box 3083
Midland, Texas 79702
(915) 684-3861

Contact
Person: Craig Clark

Attorney: W. Perry Pearce
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873

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OIL CONSERVATION DIV.
SANTA FE

OPPONENT'S STATEMENT OF OPPOSITION

Pacific Enterprises Oil Company (USA) appears in this case in opposition to the application of Matador Petroleum Corporation. Pacific is an interest owner in the S1/2 of Section 5, T. 20 S., R. 34 E., part of which acreage is included within the area of the proposed forced pooling. Pacific believes that a S1/2 dedication of acreage to a well drilled at a standard S1/2 location is more appropriate and Pacific proposes to drill a well in the S1/2. Therefore Pacific opposes the inclusion of any S1/2 acreage in the proposed pooling.

OPPONENT'S PROPOSED EVIDENCE

Opponent expects to call one witness, who will present approximately 5 exhibits and it is expected that the presentation of this witness and the cross-examination of applicant's witnesses will require approximately 30 minutes.

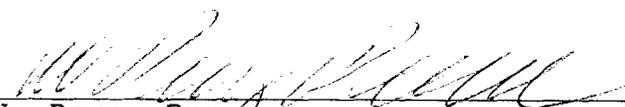
PROCEDURAL MATTERS

Opponent is not aware of any procedural matters which need to be resolved prior to the hearing of this case.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

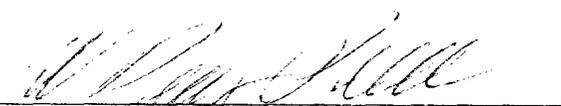
By


W. Perry Pearce
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873

Attorneys for Pacific Enterprises
Oil Company (USA)

CERTIFICATE OF SERVICE

I certify that I had delivered a copy of this Pre-Hearing Statement to W. Thomas Kellahin, 117 N. Guadalupe, Santa Fe, New Mexico 87501 on August 31, 1990.


W. Perry Pearce

[WPP/55]