

**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, UNORTHODOX WELL LOCATION, AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 15478, 15479, and 15480

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

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APPLICANT'S STATEMENT OF CASE

In these three cases, Matador Production Company seeks an order (1) creating three 240-acre, more or less, spacing and proration units in Sections 22 and 27, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico; (2) authorizing unorthodox locations; and (3) pooling all uncommitted mineral interests in the Bone Spring formation. The non-standard spacing and proration unit comprised of the E/2 SE/4 of Section 22 and the E/2 E/2 of Section 27, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico will be the project area for the proposed **Mallon 27 Federal Com No. 1H Well**, which will be horizontally drilled

from a surface location in the SE/4 SE/4 (Unit P) of Section 27 to a standard bottom hole location in the NE/4 SE/4 (Unit I) of Section 22.

The non-standard spacing and proration unit comprised of the W/2 SE/4 of Section 22 and the W/2 E/2 of Section 27 will be the project area for the proposed **Mallon 27 Federal Com No. 2H Well**, , which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 27 to a standard bottom hole location in the NW/4 SE/4 (Unit J) of Section 22.

The non-standard spacing and proration unit comprised of the E/2 SW/4 of Section 22 and the E/2 W/2 of Section 27 will be the project area for the proposed **Mallon 27 Federal Com No. 3H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 27 to a standard bottom hole location in the NE/4 SW/4 (Unit K) of Section 22. Matador also seeks unorthodox well locations for these three wells.

APPLICANT'S PROPOSED EVIDENCE

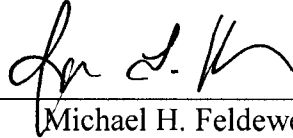
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jeff Lierly, Senior Landman	Approx. 20 minutes	Approx. 12
Andy Juett, Senior Geologist	Approx. 20 minutes	Approx. 8

PROCEDURAL MATTERS

Matador requests that Cases 15478, 15479, and 15480 be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP



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