

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

APPLICATION OF CAZA PETROLEUM, INC. FOR COMPULSORY POOLING AND APPROVAL OF AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 15491

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING AND APPROVAL OF AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 15498

MATADOR's AMENDED PRE-HEARING STATEMENT

Matador Production Company, the applicant in Case No. 15498, submits this Amended Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT IN CASE NO. 15491

Caza Petroleum, Inc.

ATTORNEY

J. Scott Hall, Esq.
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873
shall@montand.com

APPLICANT IN CASE NO. 15498

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

2016 SEP -8 P 3:45
RECEIVED

MATADOR'S STATEMENT OF THE CASE

Matador Production Company seeks an order (1) pooling all mineral interests in the Wolfcamp formation underlying the 320-acre, more or less, spacing and proration unit comprised of the N/2 of Section 13, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (2) approving an unorthodox well location for the proposed well. The spacing and proration unit will be the project area for the proposed **Brantley State Com 13-24S-27E RB No. 221H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 18, Township 24 South, Range 28 East to a non-standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, Township 24 South, Range 27 East.

This project area is located within the Black River; Wolfcamp, East (Gas) Pool (97442). This pool is subject to the statewide rules for defined gas pools in Eddy County which requires 320-acre spacing and wells to be located no closer than 660 feet to the outer boundary of the quarter section 19.15.15.10(B) NMAC. Rules 19.15.15.13(B) and 19.15.4.12(A)(2) NMAC allow the Director to grant an exception to the well location requirements. The proposed **Brantley State Com 13-24S-27E RB No. 221H Well** will be unorthodox because the completed interval for this well will be closer than 660 feet to the outer boundary as required by Rule 19.15.15.10(B)(1). The completed interval for this well will commence 330 feet from the from the North line and 330 from the East line (Unit A) to a location 330 feet from the North Line and 330 feet from the West line (Unit D) of Section 13. The completed interval therefore encroaches on the spacing and proration units to the North, East, Northeast, West, and Northwest.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Trey Goodwin, Senior Landman	Approx. 30 minutes	Approx. 15
Tom Elsener, Senior Staff Engineer/Team Leader	Approx. 20 minutes	Approx. 5
Lauren Conrad, Reservoir Engineer	Approx. 20 minutes	Approx. 10

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,



Michael H. Feldewert
Jordan L. Kessler
HOLLAND & HART LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
mfeldewert@hollandhart.com
jlkessler@hollandhart.com

Dana R. Arnold
Matador Resources Company
5400 Lyndon B. Johnson Freeway, Suite 1500
Dallas, TX 75240
darnold@matadorresources.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on September 8, 2016, I served a copy of the foregoing document to the following counsel of record via electronic mail:

J. Scott Hall, Esq.
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873
shall@montand.com



Michael H. Feldewert
Jordan L. Kessler