

**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. 20325

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Matador Production Company 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

Chevron U.S.A. Inc.

OPPONENT'S ATTORNEY

Earl DeBrine

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Wolfcamp formation (Purple Sage-Wolfcamp Gas Pool) underlying a horizontal spacing unit comprised of the E/2 of Section 26, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to:

- (a) The Judge Greenhill Well No. 217H, with a first take point in the SE/4SE/4 and a final take point in the NE/4NE/4 of Section 26;
- (b) The Judge Greenhill Well No. 203H, with a first take point in the SW/4SE/4 and a final take point in the NW/4NE/4 of Section 26;

(c) The Judge Greenhill Well No. 223H, with a first take point in the SW/4SE/4 and a final take point in the NW/4NE/4 of Section 26;

(d) The Judge Greenhill Well No. 204H, with a first take point in the SE/4SE/4 and a final take point in the NE/4NE/4 of Section 26; and

(e) The Judge Greenhill Well No. 224H, with a first take point in the SE/4SE/4 and a final take point in the NE/4NE/4 of Section 26;

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 Matador Production Company as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

PROPOSED EVIDENCE

APPLICANT

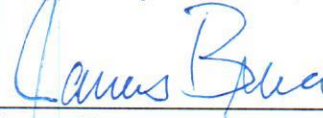
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
David Johns (landman)	15 min.	Approx. 8
Clark Collier (landman)	15 min.	Approx. 6

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

Respectfully submitted,



James Bruce
Post Office Box 1056
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Attorney for Matador Production Company