

**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:**

**APPLICATIONS OF MATADOR PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

Case Nos. 20904-20911

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

OPPONENTS

Marathon Oil Permian LLC

OPPONENTS' ATTORNEY

Deana M. Bennett

STATEMENT OF THE CASE

APPLICANT

Case No. 20904: Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 121H, with a first take point in the NW/4NW/4 of Section 21 and a last take point in the NE/4NE/4 of Section 22.

Case No. 20905: Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 122H, with a first take point in the SW/4NW/4 of Section 21 and a last take point in the SE/4NE/4 of Section 22.

Case No. 20906: Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 21 and the N/2S/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 123H, with a first take point in the NW/4SW/4 of Section 21 and a last take point in the NE/4SE/4 of Section 22.

Case No. 20907: Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 124H, with a first take point in the SW/4SW/4 of Section 21 and a last take point in the SE/4SE/4 of Section 22.

Case No. 20908: Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 201H, with a first take point in the NW/4NW/4 of Section 21 and a last take point in the NE/4NE/4 of Section 22.

Case No. 20909: Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 202H, with a first take point in the SW/4NW/4 of Section 21 and a last take point in the SE/4NE/4 of Section 22.

Case No. 20910: Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 21 and the N/2S/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 203H, with a first take point in the NW/4SW/4 of Section 21 and a last take point in the NE/4SE/4 of Section 22.

Case No. 20911: Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Michael K&B 2122 Fed. Com. Well No. 204H, with a first take point in the SW/4SW/4 of Section 21 and a last take point in the SE/4SE/4 of Section 22.

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

OPPONENTS

PROPOSED EVIDENCE

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

Jonathan Stepka
(landman)

30 min.

Approx. 12

Andy Juett
(geologist)

25 min.

Approx. 10

OPPONENTS

WITNESSES

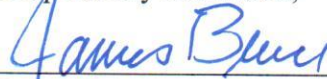
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Applicant requests that these matters be consolidated for hearing, and intends to present these cases by affidavit.

Respectfully submitted,



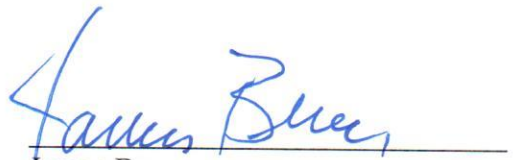
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Matador Production Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 13th day of February, 2020 by e-mail:

Deana Bennett
dmb@modrall.com



James Bruce