# 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. 21374 and 21375

## 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

**OPPONENTS** 

OPPONENTS' ATTORNEY

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

James Bruce

P.O. Box 1056

(505) 982-2043

#### STATEMENT OF THE CASE

#### **APPLICANT**

Case No. 21374: Applicant seeks an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 9 and the W/2W/2 of Section 16, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to (a) the Jack Sleeper Com. Well No. 111H, and (b) the Jack Sleeper Com. Well No. 121H. The wells have first take points in the NW/4NW/4 of Section 9 and final take points in the SW/4SW/4 of Section 9.

Case No. 21375: 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 W/2 of Section 9 and the W/2 of Section 16, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to:

- (a) The Jack Sleeper Com. Well No. 201H, with a first take point in the SW/4SW/4 of Section 16 and a final take point in the NW/4NW/4 of Section 9;
- (b) The Jack Sleeper Com. Well No. 215H, with a first take point in the SW/4SW/4 of Section 16 and a final take point in the NW/4NW/4 of Section 9;
- (c) The Jack Sleeper Com. Well No. 221H, with a first take point in the SW/4SW/4 of Section 16 and a final take point in the NW/4NW/4 of Section 9;
- (d) The Jack Sleeper Com. Well No. 202H, with a first take point in the SE/4SW/4 of Section 16 and a final take point in the NE/4NW/4 of Section 9; and
- (e) The Jack Sleeper Com. Well No. 222H, with a first take point in the SE/4SW/4 of Section 16 and a final take point in the NE/4NW/4 of Section 9.

Also to be considered will be the cost of drilling, completing, and equipping 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, completing, and equipping the wells.

## **OPPONENTS**

#### PROPOSED EVIDENCE

## APPLICANT

WITNESSES

WITNESSES	EST. TIME	<b>EXHIBITS</b>
Sara Hartsfield (landman)	30 min.	Approx. 12
Clark Collier (geologist)	25 min.	Approx. 10
<u>OPPONENTS</u>		

EST. TIME

**EXHIBITS** 

### PROCEDURAL MATTERS

Applicant requests that these matters be consolidated for hearing, and intends to present the cases by affidavit if they are unopposed.

Respectfully submitted,

James Bruce

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Attorney for Matador Production Company