

**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
AND APPROVAL OF AN UNORTHODOX GAS
WELL LOCATION, EDDY COUNTY, NEW MEXICO.**

Case No. 15,598

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Matador Production Company
Suite 1500
5400 LBJ Freeway
Dallas, Texas 75240

Attention: Dana Arnold
(972) 371-5284

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Wolfcamp formation (Forehand Ranch-Wolfcamp Gas Pool) underlying the N/2 of Section 13, Township 23 South, Range 27 East, NMPM, to form a standard 320 acre gas spacing and proration unit. The unit will be dedicated to the Joe Coleman 13-23S-27E RB Well No. 206H. The well is a horizontal well, with a surface location 1851 feet from the north line and 335 feet from the east line of adjoining Section 14. The well's first perforation is 2311 feet from the north line and 330 feet from the west line, the final perforation is 2312 feet from the north line and 330 feet from the east line, and the terminus is 2312 feet from the north line and 240 feet from the east line, of Section 13.

The producing interval of the well will be unorthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

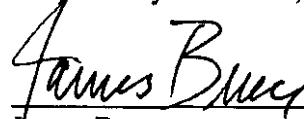
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Cassie Hahn (landman)	15 min.	Approx. 6
Lauren Conrad (engineer)	15 Min.	Approx. 4

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
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Matador Production Company