

**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. 15,563

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 underlying Lots 1-4 and the E/2W/2 (the W/2) of Section 30, Township 23 South, Range 28 East, NMPM (East Black River-Wolfcamp Gas Pool), to form a standard 318.94 acre gas spacing and proration unit. The unit will be dedicated to the Jim Tom Lontos 30-23S-28E RB Well No. 221H, a horizontal well with a surface location 492 feet from the south line and 467 feet from the west line of Section 30. The producing interval will be unorthodox, with the first perforation 330 feet from the south and west lines, and the last perforation 330 feet from the north and west lines, of Section 30. 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 Matador Production Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

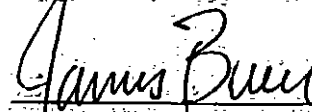
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Trey Goodwin or Chris Carleton (landman)	15 min.	Approx. 6
Clark Collier (geologist)	15 Min.	Approx. 4

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