STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

FEB 15 2018 PM02:55

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. 15710 (re-opened)

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

APPLICANT'S ATTORNEY

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Dana Arnold

(972) 371-5284

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests in the Wolfcamp formation underlying the S/2 of Section 10, Township 24 South, Range 28 East, NMPM, to form a standard 320 acre gas spacing and proration unit. The unit is dedicated to the Tom Matthews 10-24S-28E RB Well No. 223H. The well is a horizontal well, with a surface location in the SE/4SE/4 of adjoining Section 9. The first perforation is in the NW/4SW/4, and the last perforation is in the NE/4SE/4, of Section 10. The producing interval of the well is orthodox. 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

WITNESSES

EST. TIME

EXHIBITS

Sara Hartsfield (landman)

10 min.

Approx. 6

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

This application was filed to add a couple parties to those originally pooled. Thus, applicant requests permission to submit the information by affidavit.

Also, no geology will be presented because it was presented at the original hearing. (This is <u>not</u> a non-standard unit.)

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company