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W. THOMAS KELLAHIN\*

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RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

September 27, 1993

Mr. William J. LeMay  
Oil Conservation Division  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87504

HAND DELIVERED

10853

Re: Application of Matador Petroleum Corporation  
for an Unorthodox Gas Well Location,  
Chaves County, New Mexico

Dear Mr. LeMay:

On behalf of Matador Petroleum Corporation, please find enclosed our application for an unorthodox gas well location which we request be set for hearing on the next available Examiner's docket now scheduled for October 21, 1993. Our proposed advertisement to be used for the OCD docket is attached as Enclosure (2).

By copy of this letter, including the Application to all parties, we are notifying them by certified mail return-receipt requested, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the Application. See Enclosure (1).

In accordance with Division Memorandum 2-90, parties who may appear in this case are hereby requested to file a Pre-Hearing Statement with the Division, copy to Applicant, not later than 4:00 PM on Friday, October 15, 1993.

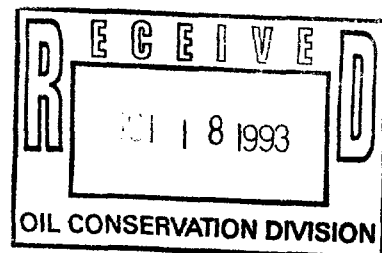
Very truly yours,

  
W. Thomas Kellahin

cc: Matador Petroleum Corporation  
attn: Joseph Wm. Foran

Proposed notification/advertisement for OCD docket

Case 10853: **Application of Matador Petroleum Corporation for an unorthodox gas well location, Chaves County, New Mexico.** Applicant seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the East line (Unit A) of Section 30, Township 15 South, Range 28 East, NMPM, for production from any formation and/or pool developed on 320-acre gas proration and spacing units including but not limited to the Buffalo Valley-Pennsylvanian Gas Pool. The N/2 of said Section 30 will be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool(s). Said unit is located approximately 3 miles northwest of Nakee Ishee Lake, New Mexico.



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:

CASE NO. 10853

APPLICATION OF MATADOR PETROLEUM CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION,  
CHAVES COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by MATADOR  
PETROLEUM CORPORATION as required by the Oil Conservation  
Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

Matador Petroleum Corporation  
415 W. Wall Suite 1101  
Midland, Texas 79701  
Attn: Joseph Foran  
(915) 687-5955

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

## STATEMENT OF CASE

### APPLICANT

Matador Petroleum Corporation seeks approval of an unorthodox gas well location to test the Morrow formation within a mile of the current boundary of the Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.

Matador Petroleum Corporation proposes to drill its well at an unorthodox surface location 660 feet FEL and 660 feet FNL (Unit A) of Section 30, T15S, R28E, NMPM and to dedicate the N/2 of said Section 30 to the well.

The well is an attempt to locate lower Morrow production in a north-south oriented sand channel where the point of greatest net thickness is on the east side of the spacing unit

The unorthodox location would provide an opportunity to encounter the point of greatest thickness of that sand package with this spacing unit.

Matador is the operator of the offsetting spacing units. This well will provide a control point from which to determine how best to locate wells for those offsetting spacing units.

Pre-Hearing Statement  
Case No. 10853  
Page 3

**PROPOSED EVIDENCE**

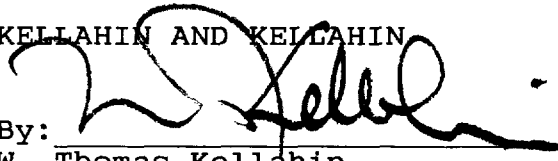
APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Roger Townsend (geologist)	30 min.	est. 4 exhibits

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN AND KELLAHIN

By:   
W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

November 4, 1993

KELLAHIN AND KELLAHIN  
Attorneys at Law  
P. O. Drawer 2265  
Santa Fe, New Mexico 87504

RE: CASE NO. 10853  
ORDER NO. R-10006-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

*Sally E. Martinez*  
Sally E. Martinez  
Administrative Secretary

cc: BLM - Roswell