

ID NO. 232207

NSL - 8612

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2317732172
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant: Matador Production Company**  
**Well Name: Randy Allen 16-16S-37E State #1**  
**Pool: Lovington; Upper Penn, Northeast**

**OGRID Number: 228937****API: 30-025-51560****Pool Code: 40760**

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

**1) TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [ I ] or [ II ]

[ I ] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application  
Content  
Complete

**3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

**Kyle Perkins**

Print or Type Name

Date

6/23/23

972-371-5202

Phone Number

Signature

kperkins@matadorresources.com  
 e-mail Address

# Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5202

[kperkins@matadorresources.com](mailto:kperkins@matadorresources.com)

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**Kyle Perkins**  
**Vice President and Assistant General Counsel**

June 23, 2023

## VIA CERTIFIED MAIL/RRR

### TO AFFECTED PARTIES

Re: Application for Administrative Approval of Non-Standard Location for Matador's Randy Allen 16-16S-37E State #1 (API 30-025-51560) – Lovington; Upper Penn, Northeast (Pool Code 40760).

To Whom It May Concern,

Enclosed is a copy of the above-referenced application that was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please give me a call at your convenience.

Sincerely,



Kyle Perkins

# Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5202

[kperkins@matadorresources.com](mailto:kperkins@matadorresources.com)

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Kyle Perkins  
Vice President and Assistant General Counsel

June 21, 2023

## VIA ONLINE FILING

Mr. Leonard R. Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Non-Standard Location for Matador's Randy Allen 16-16S-37E State #1 (API 30-025-51560) – Lovington; Upper Penn, Northeast (Pool Code 40760).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a non-standard location for our Randy Allen 16-16S-37E State #1 (API 30-025-51560), to be completed in the Lovington; Upper Penn, Northeast (Pool Code 40760).

Matador's Randy Allen 16-16S-37E State #1 (API 30-025-51560) is a directional well to be completed only at the bottom hole location. The special pool rules for the Lovington; Upper Penn, Northeast (Pool Code 40760) were originally created in Division Order R-3816. Pursuant to those special pool rules:

- a. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2 or W/2 of a governmental quarter section; and
- b. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

As set forth below, Matador's application requests a non-standard location because the proposed bottom hole is located outside 150 feet of the center of the subject governmental quarter-quarter section.

Mr. Leonard R. Lowe

June 21, 2023

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1. Well name: Randy Allen 16-16S-37E State #1 (API 30-025-51560)
2. Pool: Lovington; Upper Penn, Northeast (Pool Code 40760)
3. Spacing Unit: W/2 SE/4 of Section 16, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico.

This is a standard spacing unit in this pool pursuant to Division Order R-3816. A copy of a form C102 for the well is enclosed. The well will be the first well drilled in this spacing unit.

4. Acreage in Spacing Unit: 80 acres.
5. Directional Well Location:
  - a. Directional Well Surface Location: 2,060' FEL, 408 FSL of Section 16, T16S, R37E, Lea County, New Mexico.
  - b. Directional Well Bottom Hole Location: 2,400' FEL, 474' FSL of Section 16, T16S, R37E, Lea County, New Mexico.
  - c. Directional Well's Completed Interval: The well's entire completed interval will be located at the bottom hole location; specifically, 2,400' FEL, 474' FSL of Section 16, T16S, R37E, Lea County, New Mexico.
6. Matador requests this non-standard location because it will allow for the most efficient development of this acreage, thereby preventing waste. Specifically, as set forth in the attached letter from Matador's Vice President of Geology, 3D seismic has revealed discrete reservoirs within the Strawn formation in this area, including the discrete reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—2,400' FEL, 474' FSL of Section 16, T16S, R37E—is located where Matador believes it can most efficiently drain the discrete reservoir identified on this acreage. Matador does not believe it can efficiently drain this reservoir from a standard location within 150 feet of the center of a quarter-quarter section, and believes that attempting to do so would leave significant production volumes in place and result in waste. Accordingly, the granting of Matador's application would prevent this waste and lead to the most efficient development of this acreage.
7. The well is in an oil pool and we anticipate the well will produce both oil and gas.
8. Pursuant to NMAC 19.15.4.12(B)(a), the affected persons in this circumstance are those located in the adjoining quarter section because the spacing unit that is the subject of this application is greater than 40 acres under the special pool rules. Accordingly, the area of

Mr. Leonard R. Lowe  
June 21, 2023  
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encroachment is the NE/4 of Section 21, T16S, R37E, Lea County, New Mexico and the SW/4 of Section 16, T16S, R37E, Lea County, New Mexico.

The NE/4 of Section 21 and the SW/4 of Section 16, T16S, R37E, Lea County, New Mexico are both State tracts that are leased. Matador's affiliate, Greyhound Resources, LLC, owns 100% of the working interest in both of those State leases and thus owns 100% of the working interest in the entirety of both the NE/4 of Section 21 and the SW/4 of Section 16, T16S, R37E, Lea County, New Mexico.

Attached hereto is a signed statement from Greyhound Resources, LLC acknowledging receipt of this application and waiving any protest to this application. Matador will also mail a copy of this application to the New Mexico State Land Office, as shown on the enclosed exhibits.

If you would like any additional information regarding this application, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Perkins', is written over the word 'Sincerely,'.

Kyle Perkins

# Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5476

[aparker@matadorresources.com](mailto:aparker@matadorresources.com)

Andrew Parker  
Vice President of Geology

June 20, 2023

## VIA ONLINE FILING

Mr. Leonard R. Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

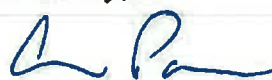
Re: Application for Administrative Approval of Non-Standard Location for Matador's Randy Allen 16-16S-37E State #1 (API 30-025-51560) – Lovington; Upper Penn, Northeast (Pool Code 40760).

Dear Mr. Lowe,

I am writing in support of Matador Production Company's application for approval of a non-standard location for our Randy Allen 16-16S-37E State #1 (API 30-025-51560), to be completed in the Lovington; Upper Penn, Northeast (Pool Code 40760).

Matador has access to 3D seismic data covering the Strawn formation on this acreage. Based on our interpretation of that 3D seismic data, we have found that there are discrete reservoirs within the Strawn formation in this area, including the discrete reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—2,400' FEL, 474' FSL of Section 16, T16S, R37E—is located where we believe we can most efficiently drain the reservoir we have identified on this acreage. We do not believe we can efficiently drain this reservoir from a standard location within 150 feet of the center of a quarter-quarter section, and we believe that attempting to do so would leave significant production volumes in place and result in waste. The granting of Matador's application would prevent this waste and lead to the most efficient development of this acreage.

Sincerely,



Andrew Parker



**DISTRICT I**  
1025 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-8101 Fax: (575) 393-0720

**DISTRICT II**  
811 S. FIRST ST., ARTESIA, NM 86210  
Phone: (505) 748-1283 Fax: (505) 748-9720

**DISTRICT III**  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6176 Fax: (505) 334-6170

**DISTRICT IV**  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102

Revised August 1, 2011

**Submit one copy to appropriate  
District Office**

☐ **AMENDED REPORT**

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-51560	Pool Code 40760	Pool Name Lovington; Upper Penn, Northeast
Property Code 334082	Property Name RANDY ALLEN 16-16S-37E STATE	Well Number 1
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3801.9'

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	16-S	37-E		408	SOUTH	2060	EAST	LEA

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	16-S	37-E		474	SOUTH	2400	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			NSL

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

POINT LEGEND NAD 83		POINT LEGEND NAD 27	
1	Y=700875.2 N X=872193.5 E	1	Y=700811.4 N X=831015.8 E
2	Y=700888.2 N X=873512.3 E	2	Y=700822.6 N X=832334.5 E
3	Y=698238.0 N X=873530.9 E	3	Y=698174.5 N X=832353.0 E
4	Y=698228.4 N X=872212.6 E	4	Y=698164.8 N X=831035.0 E

NAD 83 NME SURFACE LOCATION  
Y=698640.2 N  
X=872786.0 E  
LAT.=32.915910° N  
LONG.=103.253255° W

NAD 83 NME PROPOSED BOTTOM HOLE LOCATION  
Y=698704.1 N  
X=872445.9 E  
LAT.=32.916095° N  
LONG.=103.254361° W

NAD 27 NME SURFACE LOCATION  
Y=698576.6 N  
X=831608.2 E  
LAT.=32.915793° N  
LONG.=103.252760° W

NAD 27 NME PROPOSED BOTTOM HOLE LOCATION  
Y=698640.5 N  
X=831268.1 E  
LAT.=32.915978° N  
LONG.=103.253866° W

**DEDICATED  
ACRES  
80**

SPACING UNIT

NAD 83 NME  
GRID AZ. - 280°38'45"  
HORZ. DIST. - 346.1'

NAD 27 NME  
GRID AZ. - 280°38'38"  
HORZ. DIST. - 346.1'

B.H.

474'

S.L.

2400'

2060'

**OPERATOR CERTIFICATION**

*I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

**5/15/23**

Signature: *Reece Clark*

Printed Name: Reece Clark

E-mail Address: reece.clark@energyresources.com


**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

**APRIL 27, 2023**

Date of Survey: \_\_\_\_\_

Signature & Seal of Professional Surveyor: \_\_\_\_\_

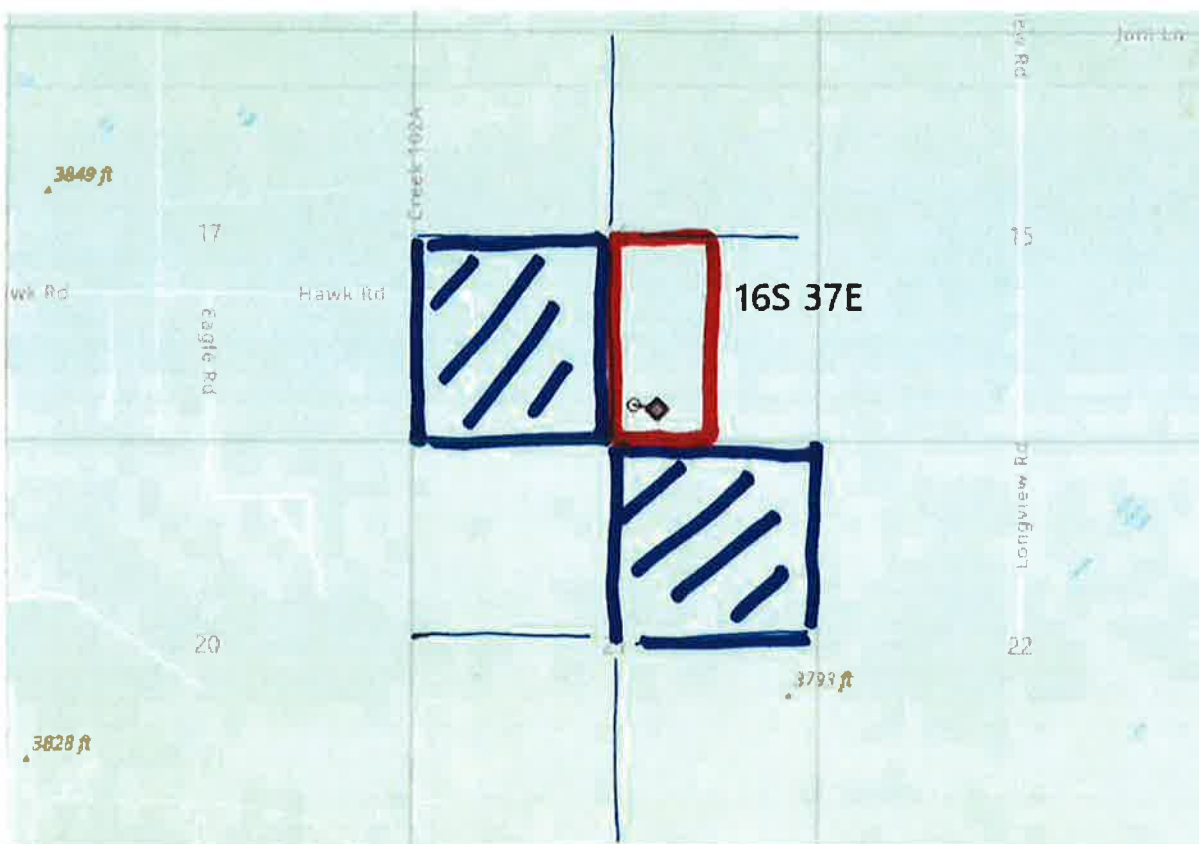


*Chad Harcrow* **5/5/23**

Certificate No. CHAD HARCROW 17777

W.O. # 23-350 DRAWN BY: WN

## Randy Allen 16-16S-37E State #1



Spacing Unit



Affected Tract

- The NE/4 of Section 21 is one State lease. Greyhound Resources, LLC owns 100% of the working interest in the lease.
- 
- The SW/4 of Section 16 is one State lease. Greyhound Resources, LLC owns 100% of the working interest in the lease.



## Greyhound Resources, LLC

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240  
Voice 972.371.5403

[reece.clark@matadorresources.com](mailto:reece.clark@matadorresources.com)

Reece Clark  
Senior Landman

June 21, 2023

### VIA ONLINE FILING

Mr. Leonard R. Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Non-Standard Location for Matador's  
Randy Allen 16-16S-37E State #1 (API 30-025-51560) – Lovington; Upper Penn,  
Northeast (Pool Code 40760).

Dear Mr. Lowe,

I am writing in support of Matador Production Company's application for approval of a non-standard location for its Randy Allen 16-16S-37E State #1 (API 30-025-51560), to be completed in the Lovington; Upper Penn, Northeast (Pool Code 40760).

Greyhound Resources, LLC owns 100% of the working interest in the NE/4 of Section 21, T16S, R37E, Lea County, New Mexico, which is made up of one State lease. Greyhound Resources, LLC also owns 100% of the working interest in the SW/4 of Section 16, T16S, R37E, Lea County, New Mexico, which is made up of one State lease.

Greyhound Resources, LLC has been provided a copy of our affiliate's, Matador Production Company's, above-referenced application for approval of a non-standard location for the Randy Allen 16-16S-37E State #1, with a proposed bottom hole location located at 2,400' FEL, 474' FSL of Section 16, T16S, R37E, Lea County, New Mexico in the Strawn formation.

I write to inform you that Greyhound Resources, LLC is in support of the Matador Production Company's application and waives any protest to the application.

Sincerely,



Reece Clark

Randy Allen 16-16S-37E State #1						
Affected Party	Type	Ownership Location	Address	City, State, Zip	Date Letter Sent	Tracking Number
New Mexico State Land Office	Mineral Owner	NE/4 of Sec. 21 and SW/4 of Sec. 16, T16S-R37E	P.O. Box 1148	Santa Fe, NM 87504	6/23/2023	9488 9090 0027 6009 9808 31

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

CONDITIONS  
  
Action 232207

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 232207
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	6/26/2023