<u>District I</u> 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 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

Form C-101 August 1, 2011

APPLICATION FOR PERMIT TO DRILL, RE-ENT	TER, DEEPEN, PLUGBACK, OR ADD A ZONE
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AFFLIC	A HON FOR FERMIN TO	DRILL, RE-E	NIEK, DEEFEN	, FLUGBACK,	OK ADD A ZON	_				
Operator Name and Address	\$150.000				2. OGRID	Number				
MATADOR PRODUCTION COMP.	200000000000000000000000000000000000000	228937								
One Lincoln Centre Dallas, TX 75240					3. API Nu	mber 30-025-43242				
4. Property Code 5. Property Name OLIVINE TL 05 16 37 STATE COM						234H				
7. Surface Location										
UL - Lot Section Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County			
Α 5	16S 37E	Lo	660	N	950	_ E	Lea			

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Р	5	16S	37E	P	2880	S	660	E	Lea

9. Pool Information

DEAN;PERMO UPPER PENN	16720

Additional Well Information

Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
16. Multiple N	17. Proposed Depth 16875	18. Formation Wolfcamp	19. Contractor	20. Spud Date 10/23/2016
11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3842

■ We will be using a closed-loop system in lieu of lined pits

21 Proposed Casing and Cement Program

500 GOODS	21. 1 Toposca casing and content i rogiani									
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC				
Surf	17.5	13.375	54.5	2113	3202	0				
Int1	12.25	9.625	40	5000	1105	0				
Int2	8.75	7	29	11650	886	4000				
Prod	6 125	4.5	13.5	16875	438	10650				

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	3000	CAMERON
Double Ram	10000	5000	CAMERON
Pipe	10000	5000	CAMERON

knowledge and be	have complied with 19.15.14.9 (A)			OIL CONSE	ERVATION DIVISION
Printed Name:	Electronically filed by Ava Monroe		Approved By:	Paul Kautz	
Title:	Engineering Tech	Engineering Tech			
Email Address:	amonroe@matadorresources.com		Approved Date:	5/19/2016	Expiration Date: 5/19/2018
Date:	5/16/2016 Phone: 972-371-5218		Conditions of Approval Attached		

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sante Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

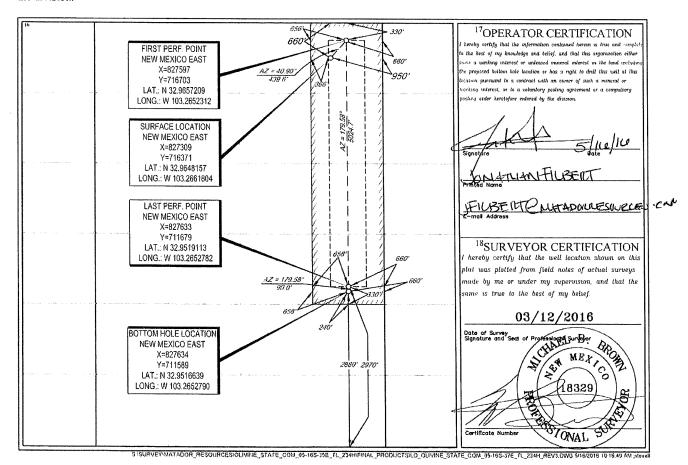
API Number	² Pool Code	³ Pool Nante				
	16720	DEAN; PERMO UPPER PENN				
Property Code	³ Pr	operty Name	⁶ Well Number			
	OLIVINE STATE	COM 05-16S-37E TL	#234H			
OGRID No.	*O ₁	*Operator Name **Elevation				
228937	228937 MATADOR PRODUCTION COMPANY 3842'					

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	5	16-S	37-E		660'	NORTH	950'	EAST	LEA

UL or lot no.	Section	Township	Range	Let Ida	Feet from the	North/South line	Feet from the	East/West line	County
16	5	16-S	37-E	-	2880'	SOUTH	660'	EAST	LEA
¹² Dedicated Acres 160	¹³ Joint or l	nfill ¹³ Co	nsolidation Cod	e ¹⁵ Orde	r No.		·		***************************************

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.



Form APD Comments

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1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <u>District IV</u>:
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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 221061

PERMIT COMMENTS

Operator Name and Address: MATADOR PRODUCTION COMPANY [228937]	API Number: 30-025-43242
One Lincoln Centre Dallas, TX 75240	Well: OLIVINE TL 05 16 37 STATE COM #234H

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

Permit 221061

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MATADOR PRODUCTION COMPANY [228937]	30-025-43242
One Lincoln Centre	Well:
Dallas, TX 75240	OLIVINE TL 05 16 37 STATE COM #234H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186
pkautz	Must notify OCD Hobbs Office of any water flows in the Salado Formation at 575-370-3186. Report depth and flow rate
pkautz	1) Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.
pkautz	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.