

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



August 24, 2016

Matador Production Company
Attn: Ms. Jordan Kessler

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7451

Matador Production Company
OGRID 228937
B Banker 33 23S 28E RB Well No. 206H
API No. 30-015-43842

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1911' FNL & 145' FEL	H	33	23S	28E	Eddy
Penetration Point	2310' FNL & 330' FEL	H	33	23S	28E	Eddy
Final perforation	2310' FNL & 330' FWL	E	33	23S	28E	Eddy
Terminus	2310' FNL & 240' FWL	E	33	23S	28E	Eddy

Proposed Gas Spacing Unit:

<u>Description</u>	<u>Acres</u>	<u>Formation (Product)</u>	<u>Pool Code</u>
N/2 of Section 33	320	Culebra Bluff; Wolfcamp, South (Gas)	75750

Reference is made to your application received on June 29, 2016.

You have requested to drill this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by Division Rule 19.15.15.10.B NMAC, which provides for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed gas spacing unit than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that the Applicant is seeking this location for efficient well spacing and prevention of waste

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved in order to prevent waste and protect correlative rights.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



DAVID R. CATANACH
Director

DRC/lrl

cc: Oil Conservation Division – Artesia District Office