12/12/16

TYPE N.9L

PLEL 1634746488

712/27/16

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

| THIS CHECKLIST IS | | CATIONS FOR EXCEPTIONS TO DIVISION RULI THE DIVISION LEVEL IN SANTA FE | ES AND REGULATIONS |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| [NSL-Non-Si [DHC-Do [PC-I | andard Location] [NSP-Non-Standard withole Commingling] [CTB-Lease C Pool Commingling] [OLS - Off-Lease [WFX-Waterflood Expansion] [PM [SWD-Salt Water Disposal] [II ralified Enhanced OII Recovery Certific | ommingling] [PLC-Pool/Lease Co Storage] [OLM-Off-Lease Measur X-Pressure Maintenance Expansion Pl-Injection Pressure Increase] cation] [PPR-Positive Production | mmingling] ement] Response] |
| [1] TYPE OF A | APPLICATION - Check Those Which Location - Spacing Unit - Simultane NSL NSP SD | eous Dedication GUITAK 10 24 | 286 KB# 22 |
| Chec [B] | ck One Only for [B] or [C] Commingling - Storage - Measurem DHC CTB PLC | API#:30-015 POOL:Culebral □ PC □ OLS □ OLM | 3luff; W.C., Sout |
| [C] | Injection - Disposal - Pressure Incre WFX PMX SWD | | |
| [D] | Other: Specify | | |
| [2] NOTIFICA | TION REQUIRED TO: - Check Thos Working, Royalty or Overridin | | |
| [B] | Offset Operators, Leaseholders | or Surface Owner | |
| [C] | Application is One Which Requ | uires Published Legal Notice | |
| [D] | Notification and/or Concurrent U.S. Bureau of Land Management - Commission | | |
| [E] | For all of the above, Proof of N | otification or Publication is Attached, | and/or, |
| [F] | ☐ Waivers are Attached | | |
| | CCURATE AND COMPLETE INFO ATION INDICATED ABOVE. | RMATION REQUIRED TO PRO | CESS THE TYPE |
| approval is accurate | ATION: I hereby certify that the informand complete to the best of my knowled equired information and notifications are | dge. I also understand that no action | |
| Note | e: Statement must be completed by an individ | ual with managerial and/or supervisory cap | acity. |
| Jennifer L. Bradfute Print or Type Name | Signature | Attorney Title | 12/5/2016 Date |
| | | ilb@modrall.com e-mail Address | · · · · · · · · · · · · · · · · · · · |



December 5, 2016

David Catanach
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 Jlb@modrall.com

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Guitar 10-24S-28E RB #221H well located in the N/2 of Section 10, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico (the "Well").

Dear Mr. Catanach:

Matador Production Company (OGRID No. 228937) seeks administrative approval of an unorthodox well location ("NSL") for its Guitar 10-24S-28E RB #221H well (API No. forthcoming) to be completed within the Culebra Bluff; Wolfcamp, South (Gas) pool (Pool Code 75750) underlying the N/2 of Section 10, Township 24S, Range 28E, N.M.P.M., Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal Well that will be drilled as follows:

Guitar 10-24S-28E RB #221H

- Surface Hole Location: 934 feet from the North line and 224 feet from the West line of Section 11, Township 24 South, Range 28 East;
- <u>First Perforation Point</u>: 331 feet from the North line and 330 feet from the East line of Section 10, Township 24 South, Range 28 East;
- <u>Last Perforation Point</u>: 331 feet from the North line and 330 feet from the West line of Section 10, Township 24 South, Range 28 East; and
- <u>Bottom Hole Location</u>: 330 feet from the North line and 240 feet from the West line of Section 10, Township 24 South, Range 28 East.

Matador Production Company is requesting this NSL in order to efficiently produce its interests in Section 10. This Well will produce from the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750). There are no special

Modrall Sperling Roehl Harris & Sisk

Bank of America Centre 500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168 pool rules for this pool, and thus the setback requirements under Rule 19.15.15.10(B) of 660' apply. The completed interval for the proposed Well is closer than 660' from the boundary of the project area. The unorthodox location will encroach towards the N/2 and SE/4 of Section 9, the N/2 and SW/4 of Section 11, the S/2 and NE/3 of Section4, all of Section 3, and the S/2 and NW/4 of Section 2. A list showing the surrounding ownership and the project area for the proposed Well in relation to adjoining spacing units is attached as Exhibit B.

A list of the parties affected by the encroachment is attached as Exhibit C. Each of these parties has been provided notice of this application by certified mail, return receipt requested, advising them that if they have an objection to the location of this Well, it must be filed with the New Mexico Oil Conservation Division within 20 days of the mailing of this notice. In addition, a copy of this application has also been provided to the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

Attorney for Matadox Production Company

cc: New Mexico State Land Office Post Office Box 1148 Santa Fe, New Mexico 87504 District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II: 311 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III: 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV: 1220 S. St. Francis Dr., Sante Fe: NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

320

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

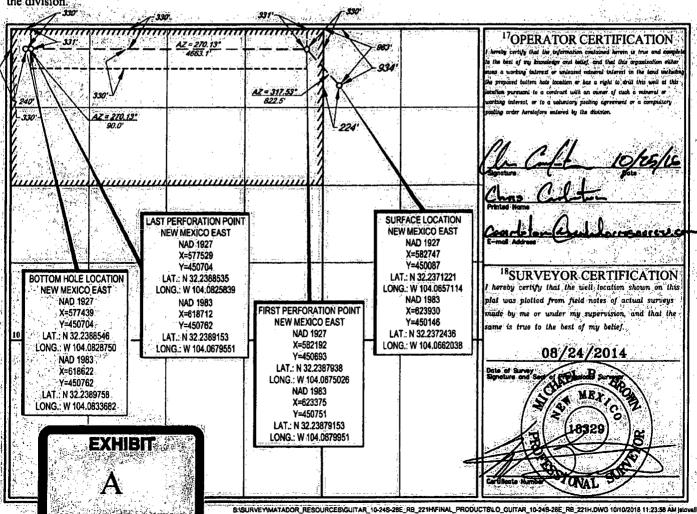
Submit one copy to appropriate

District Office

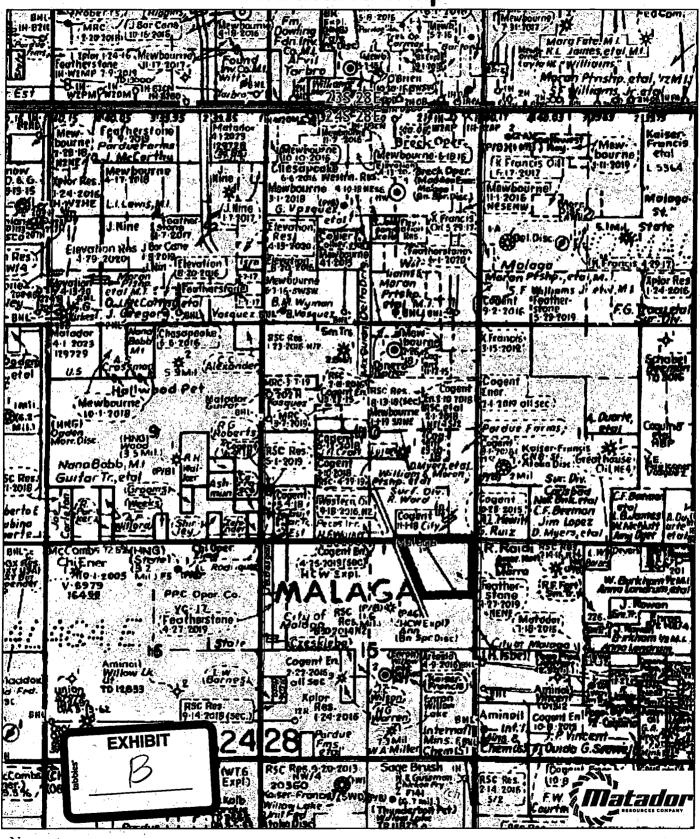
AMENDED REPÓRT

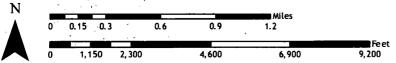
| with the second | VELL LOCATION AND | ACREAGE DEDICATION | ON PLAT | · · · · · · · · · · · · · · · · · · · |
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-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| API Number | Pool Code 75750 | CULEBRA BLUFF;W | Pool Name OLFCAMP, SOUTH | tiga No. 20 |
| ⁴ Property Code | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | roperty Name 0-24S-28E RB | | Well Number #221H |
| OGRID No. 228937 | | perator Name DUCTION COMPANY | er kann i tark dimini sa | Elevation 2979 |
| | 10 Sur | face Location | The second secon | A STATE OF THE STA |
| UL or tot no. Section Township 7 D 11 24-S | Range Lot Idn Feet 28-E - 934 | 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1 | eet from the East/West line 24' WEST | County EDDY |
| ing the control of th | Approximate to the first of particles of the first of the | The contract of the state of th | in the second of | |
| UL or lot no. Section Towarble D 10 24—S | Range Lot Ida Feet 330 | | Feet from the East/West line 40' WEST | County EDDY |
| Dedicated Acres Joint or Infill Co | nsolidation Code 15 Order No. | · · · · · · · · · · · · · · · · · · · | and the second s | TTT : 124 (10년 - 147) |

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.



Midland Map





Author: Matador Production Company

Date: 11/28/2016

EXHIBIT C:

List of Affected Persons for the Application of Matador Production Company for administrative approval of unorthodox well location for its Guitar 10-24S-28E RB #221H well located in the N/2 of Section 10, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Section 2

Kaiser Francis Oil Company PO Box 21468 Tulsa, OK 74121

Section 3

Mewbourne Oil Company PO Box 5270 Hobbs, NM 88241

Section 4

Mewbourne Oil Company PO Box 5270 Hobbs, NM 88241

Section 9

Chevron Midcontinent, L.P. Attn: Permitting Team 6301 Deauville Blvd. Midland, TX 79706

Mewbourne Oil PO Box 7698 Tyler, TX 75701

J Bar Cane, Inc. 3660 Highway 41 Stanley, New Mexico 87056

Paula K. Lewis 149 Indian Trail Coldwater, MI 49036 Ruby E. Pounty 1622 South Edgemore Wichita, Kansas 67218

Agnus W. McCain 1301 Hale Ave. Escondido, Ca 92025

Section 11

COG Production, LLC One Concho Center 600 W. Illinois Ave. Midland, TX, 79701

COG Operating, LLC One Concho Center 600 W. Illinois Ave. Midland, TX, 79701



December 5, 2016

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 jlb@modrall.com

TO AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Guitar 10-24S-28E RB #221H well located in the N/2 of Section 10, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed in the notice is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application, or otherwise this application may be administratively approved by the Division.

If you have any questions concerning this application, please contact:

Chris Carleton Matador Production Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 Phone: 972-371-5430

If you have no objection to this application, please sign the waiver as indicated below and return the original. Your assistance and cooperation in this matter

are appreciated.

Sincerely,

Attorney for Matador Production

Company

Modrall Sperling Roehl Harris & Sisk P.A.

Bank of America Centre 500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

WAIVER

| | hereby waives objection to | the above |
|-------------------------------|-----------------------------------------|-----------|
| referenced Application for ar | u Unorthodox Location for the Guitar 10 | -24S-28F |
| RB #221H well, underlying t | the N/2 of Section 10, Township 24 Sou | th, Range |
| 28 East, Eddy County, New M | Mexico. | |
| | | |
| | | |
| Dated: | e e e | |
| | Signature | |
| · | | |

Matador

OCD Permitting - Land Details

Well # 221 H

LLOWE (PETROLEUM ENGINEER FOR OCD) SIGN OUT

N OUT HELD

NSL-7497

Wells Operators

Operator Data OCD Only

Administration

OCD Permitting

Home

Land Searches

Land Details

Section: 10-24S-28E

Type:

Normal

Total Acres: 640

County:

Eddy (15)

| D (D) | C (C) | B (B) | A (A) P, |
|-------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| P ₂ Fee h | Fee 1 | Fee | Fee |
| Fee ² | Fee 2 | Fee 2 | Fee 2 |
| (15) 40 | (15) 40 | (15) 40 | (15) 40 |
| E (E) | F (F) | G (G) | H (H) |
| Fee ¹ | Fee ¹ | Fee ¹ | Fee 1 |
| Fee ² | Fee 2 | Fee 2 | Fee ² |
| (15) 40 | (15) 40 | (15) 40 | (15) 40 |
| | | | |
| L (L) | K (K) | J (J) | I (I) |
| L (L) Fee ¹ | K (K) | J (J) Fee ¹ | I (I) Fee 1 |
| | | | |
| Fee ¹ | Fee ¹ | Fee ¹ | Fee ¹ |
| Fee ¹ | Fee ¹ | Fee ¹ | Fee ¹ |
| Fee ¹ Fee ² (15) 40 |
| Fee ¹ Fee ² (15) 40 |

Note ¹ = Surface Owner Rights

Note ² = Sub-Surface Mineral Rights

Land Restrictions

No land restrictions found for this section.

Return to Search

New Mexico Energy, Minerals and Natural Resources Department | Copyright 2012 1220 South St. Francis Drive | Santa Fe, NM 87505 | P. (505) 476-3200 | F: (505) 476-3220

EMNRD Home

OCD Main Page

OCD Rules

Halm

Lowe, Leonard, EMNRD

From:

Lowe, Leonard, EMNRD

Sent:

Thursday, January 12, 2017 10:04 AM

To:

'Jennifer L. Bradfute'

Cc:

Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones,

William V, EMNRD; 'lisa@rwbyram.com'

Subject:

APPROVED NSLs FOR GUITAR 10 24 28 RB WELL (# 201H, # 205H, # 221H, # 225H)

Importance:

High

Ms. Jennifer Bradfute

The following administrative orders have been issued and will soon be available on the Division's web site: http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx

NSL-7495

API #: 30-015-43940

WELL: Guitar 10 24 28 RB Well No. 201H, Eddy County

NSL-7496

API #: 30-015-43993

WELL: Guitar 10 24 28 RB Well No. 205H, Eddy County

NSL-7497

API #: 30-015-43966

WELL: Guitar 10 24 28 RB Well No. 221H, Eddy County

NSL-7498

API #: 30-015-PENDING

WELL: Guitar 10 24 28 RB Well No. 225H, Eddy County

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe. New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: http://www.emnrd.state.nm.us/ocd/