

Revised March 23, 2017

RECEIVED: 12/21/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2136151639
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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**OGRID Number:** 228937**Well Name:** Jackson Coker 11-17S-37E #1**API:** Pending**Pool:** Humble City; Strawn**Pool Code:** 33490

**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

Signature

12/21/2021

Date

972-371-5202

Phone Number

Kperkins@matadorresources.com

e-mail Address

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 303-0101 Fax: (505) 303-0720

DISTRICT II
511 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 746-1263 Fax: (505) 746-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

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	Pool Code 33490	Pool Name HUMBLE CITY; STRAWN
Property Code	Property Name JACKSON COKER 11-17S-37E	Well Number #1
GRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3743.5'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	11	17-S	37-E		2481	NORTH	945	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
H	11	17-S	37-E		2481	NORTH	760	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

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

		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. Signature: <u>Nicholas Weeks</u> Date: <u>12/21/2021</u> Printed Name: <u>Nicholas Weeks</u> E-mail Address: <u>nweeks@matadorresources.com</u>		
		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. DECEMBER 17, 2021 Date of Survey Signature & Seal of Professional Surveyor: <u>Chad L. Harcrow</u>		
		Certificate No. <u>CHAD HARCROW 17777</u> W.O. # <u>21-935</u> DRAWN BY: <u>SP</u>		
NAD 83 NME GRID AZ. - 89°43'12" HORZ. DIST. - 184.5' NAD 27 NME GRID AZ. - 89°42'56" HORZ. DIST. - 184.5'	NAD 83 NME <u>SURFACE LOCATION</u> Y=674666.1 N X=884280.4 E LAT.=32.849697° N LONG.=103.216631° W	NAD 27 NME <u>SURFACE LOCATION</u> Y=674604.0 N X=843102.0 E LAT.=32.849582° N LONG.=103.216139° W	NAD 83 NME <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=674667.0 N X=884464.9 E LAT.=32.849695° N LONG.=103.216031° W	NAD 27 NME <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=674604.9 N X=843286.5 E LAT.=32.849580° N LONG.=103.215539° W

MRC Permian Company

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

Voice 972.371.5275

jfilbert@matadorresources.com

Jonathan Filbert
Senior Vice President of Land

December 21, 2021

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 Jackson Coker 11-17S-37E #1 (API pending) – Humble City; Strawn (Pool Code 33490).

Dear Mr. Lowe,


I am writing in support of Matador Production Company's application for approval of a non-standard location for its Jackson Coker 11-17S-37E #1 well (API pending), to be completed in the Humble City; Strawn (Pool Code 33490).

MRC Permian Company owns 100% of the working interest in all of Section 11, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico, which is made up of entirely fee acreage.

MRC Permian Company 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 Jackson Coker 11-17S-37E #1 well, with a proposed bottom hole location in the Strawn formation located at 2,481 feet from the North line and 760 feet from the East line of Section 11, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

I write to inform you that MRC Permian Company is in support of the Matador Production Company's application and waives any protest to the application.

Sincerely,


Jonathan Filbert

MRC Permian Company

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Jonathan Filbert
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I write to inform you that MRC Permian Company is in support of the Matador Production Company's application and waives any protest to the application.

Sincerely,


Jonathan Filbert

Matador Production Company

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

Voice 972.371.5202

kperkins@matadorresources.com

Kyle Perkins
Vice President and Assistant General Counsel

December 21, 2021

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 Jackson Coker 11-17S-37E #1 (API pending) – Humble City; Strawn (Pool Code 33490).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a non-standard location for our Jackson Coker 11-17S-37E #1 (API pending), to be completed in the Humble City; Strawn (Pool Code 33490).

Matador's Jackson Coker 11-17S-37E #1 (API pending) is a directional well to be completed only at the bottom hole location. The special pool rules for the Humble City; Strawn (Pool Code 33490) were set forth in Division Order R-4338. 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-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-section. Matador will be filing its application for a drilling permit for this well separately in the near future.

Mr. Leonard R. Lowe
December 21, 2021
Page 2

1. Well name: Jackson Coker 11-17S-37E #1 (API pending)
2. Pool: Humble City; Strawn (Pool Code 33490)
3. Spacing Unit: S/2 NE/4 of Section 11, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

This is a standard spacing unit in this pool pursuant to Division Order R-4338. A copy of a draft form C102 for the well is enclosed. The well will be the first well drilled in this spacing unit.

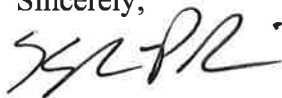
4. Acreage in Spacing Unit: 80 acres.
5. Directional Well Location:
 - a. Directional Well Surface Location: 945' FEL, 2,481' FNL of Section 11, T17S, R37E, Lea County, New Mexico.
 - b. Directional Well Bottom Hole Location: 760' FEL, 2,481' FNL of Section 11, T17S, R37E, Lea County, New Mexico.
 - c. Directional Well's Completed Interval: The well's entire completed interval will be located at the bottom hole location; specifically, 760' FEL, 2,481' FNL of Section 11, T17S, 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—760' FEL, 2,481' FNL of Section 11, T17S, 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 encroachment is the SE/4 of Section 11, T17S, R37E, Lea County, New Mexico.

Mr. Leonard R. Lowe
December 21, 2021
Page 3

The SE/4 of Section 11, T17S, R37E, Lea County, New Mexico, is fee acreage all of which is leased. Matador's affiliate, MRC Permian Company, owns 100% of the working interest in the entirety of Section 11, T17S, R37E, Lea County, New Mexico. Attached hereto is a signed statement from MRC Permian Company acknowledging receipt of this application and waiving any protest to this application.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Perkins', with a stylized flourish at the end.

Kyle Perkins

Matador Production Company

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

Voice 972.371.5476

aparker@matadorresources.com

Andrew Parker
Vice President of Geology

December 21, 2021

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 Jackson Coker 11-17S-37E #1 (API pending) – Humble City; Strawn (Pool Code 33490).

Dear Mr. Lowe,

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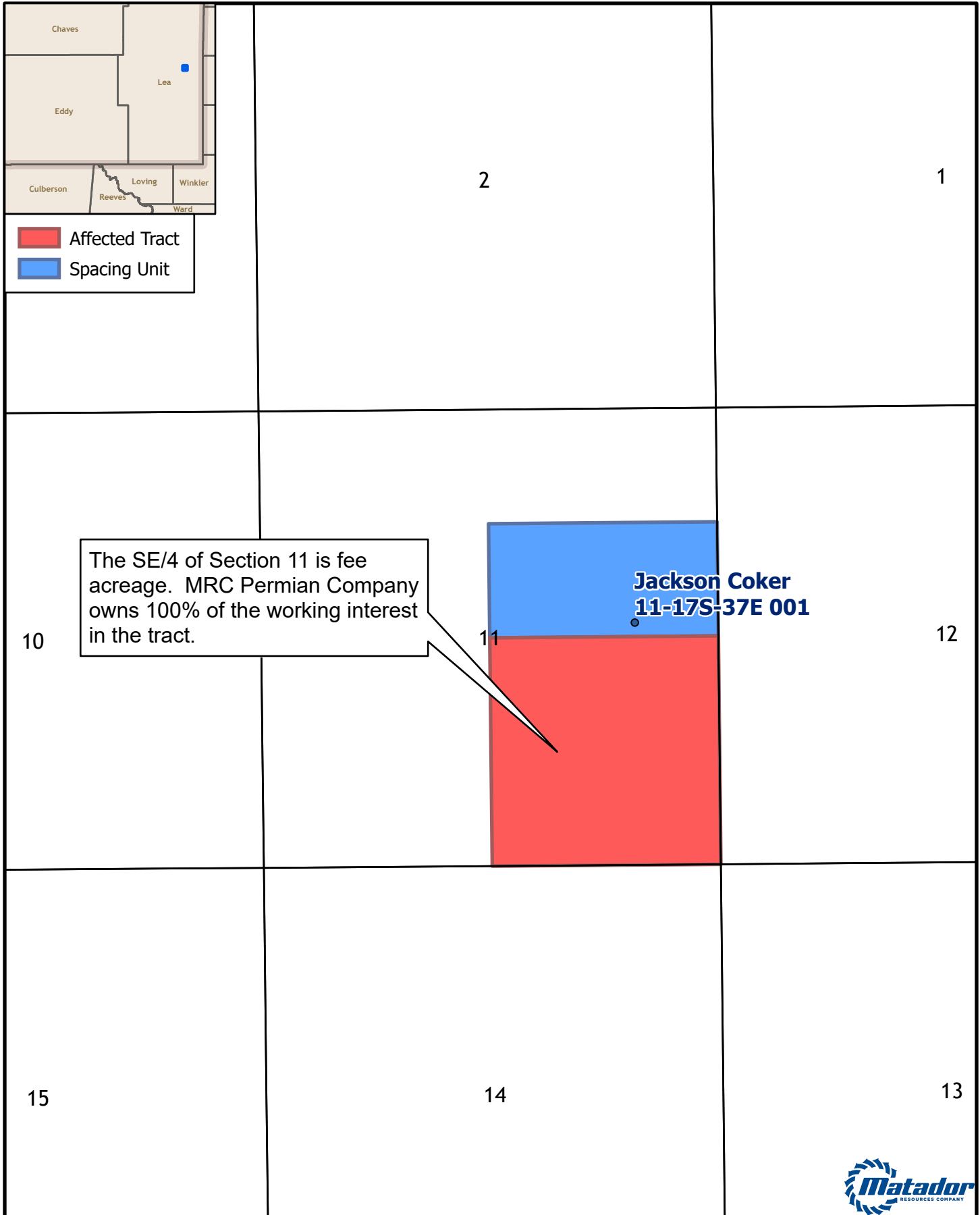
Matador has access to 3D seismic data covering the Strawn formation on this acreage. Based on our interpretation of that 3D seismic data, we have found that there are discrete reservoirs within the Strawn formation in this area, including the reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—2,481' FNL, 760' FEL of Section 11, T17S, 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

Jackson Coker 11-17S-37E 001



Southeast New Mexico

GIS Standard Map Disclaimer:

This cartographic product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

1:18,000

1 inch = 1,500 feet

Released to Imaging: 1/7/2022 3:07:49 PM

Map Prepared by: agreen
 Project: NSLExample
 Date: 12/16/2021
 Coordinate System: NAD 1983 2011 StatePlane New Mexico East FIPS 3001 Ft US

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
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District III

1000 Rio Brazos Rd., Aztec, NM 87410
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District IV

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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 68287

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 68287
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/27/2021