ID NO. 118398

NSL - 8395

		Ì	Page .	l of 10
Revised	March 23	, 201	.7	

	T				
RECEIVED: 06/17/22	LRL	TYPE: NSL	plel2217230928		
- G	/ MEXICO OIL C Geological & En Ith St. Francis Di	gineering Bure	n DIVISION		
AD	MINISTRATIVE A	PPLICATION C	CHECKLIST		
	ORY FOR ALL ADMINISTR IS WHICH REQUIRE PROC		OR EXCEPTIONS TO DIVISION RULES AND N LEVEL IN SANTA FE		
Applicant: Matador Production Compa	iny		OGRID Number: 228937		
Vell Name: Jackson Coker 11-178-37	7E #2		API: Pending		
Ool: Humble City; Strawn			Pool Code: <u>33490</u>		
	INDIC	ATED BELOW	O PROCESS THE TYPE OF APPLICATIO		
 TYPE OF APPLICATION: Check A. Location – Spacing Unit NSL 					
B. Check one only for [1] [1] Commingling – Stor DHC CTI [11] Injection – Disposa WFX PM)	age – Measuren B □PLC □	PC LOLS ase – Enhanced	□OLM d Oil Recovery □PPR FOR OCD ONLY		
 2) NOTIFICATION REQUIRED TO: A. Offset operators or le B. Royalty, overriding re C. Application requires D. Notification and/or e E. Notification and/or e F. Surface owner G. For all of the above, H. No notice required 	ease holders oyalty owners, re published notic concurrent appr concurrent appr	evenue owners e oval by SLO oval by BLM	Notice Complete		
3) CERTIFICATION: I hereby cer administrative approval is a understand that no action w notifications are submitted to	curate and con vill be taken on th	plete to the be			
Note: Statement must	be completed by an i	ndividual with manage	gerial and/or supervisory capacity.		
Kyle Perkins			17/2022		
Print or Type Name		97	72-371-5202		
0		-	hone Number		
5111.					

Kperkins@matadorresources.com e-mail Address

Signature

10



Jackson Coker 11-17S-37E #2



0

420

840

1,680 m

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

June 15, 2022

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 #2 (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 our Jackson Coker 11-17S-37E #2 (API pending), to be completed in the Humble City; Strawn (Pool Code 33490).

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—2,028 FWL, 203' FSL of Section 11, T17S, R37E—is located where we believe we can most efficiently drain the discrete 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

Greyhound Resources, LLC

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

June 16, 2022

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 #2 (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 #2 well (API pending), to be completed in the Humble City; Strawn (Pool Code 33490).

Greyhound Resources, LLC owns 100% of the working interest in the NW/4 of Section 14, T17S, R37E, Lea County, New Mexico, which is made up of entirely fee acreage.

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 Jackson Coker 11-17S-37E #2 well, with a proposed bottom hole location located at 2,028 FWL, 203' FSL of Section 11 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.

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

June 16, 2022

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 #2 (API pending) – Humble City; Strawn (Pool Code 33490).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a nonstandard location for our Jackson Coker 11-17S-37E #2 (API pending), to be completed in the Humble City; Strawn (Pool Code 33490).

Matador's Jackson Coker 11-17S-37E #2 (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 quarterquarter 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 quarterquarter section. Matador will be filing its application for a drilling permit for this well separately in the near future. Mr. Leonard R. Lowe June 16, 2022 Page 2

- 1. <u>Well name</u>: Jackson Coker 11-17S-37E #2 (API pending)
- 2. <u>Pool</u>: Humble City; Strawn (Pool Code 33490)
- 3. <u>Spacing Unit</u>: S/2 SW/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. <u>Directional Well Surface Location</u>: 2,305' FWL, 1,209 FSL of Section 11, T17S, R37E, Lea County, New Mexico.
 - b. <u>Directional Well Bottom Hole Location</u>: 2,028 FWL, 203' FSL of Section 11, T17S, R37E, Lea County, New Mexico.
 - c. <u>Directional Well's Completed Interval</u>: The well's entire completed interval will be located at the bottom hole location; specifically, 2,028 FWL, 203' FSL 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—2,028 FWL, 203' FSL of Section 11, T17S, R37E —is located where Matador believes it can most efficiently drain the discrete 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 NW/4 of Section 14, T17S, R37E, Lea County, New Mexico.

Mr. Leonard R. Lowe June 16, 2022 Page 3

The NW/4 of Section 14, T17S, R37E, Lea County, New Mexico, is fee acreage all of which is leased. Matador's affiliate, Greyhound Resources, LLC, owns 100% of the working interest in the entirety of the NW/4 of Section 14, T17S, 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.

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

Sincerely,

SuPL.

Kyle Perkins

Jackson Coker 11-17S-37E #2



0

420

840

1,680 m

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

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	118398
	Action Type:
	[UF-NSI] Non-Standard Location (NSI)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL - 8395 is approved. The approved Order can be retrieved at the following OCD: website. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	6/21/2022

Page 10 of 10

Action 118398