

ID NO. 313508

NSL - 8715

Revised March 23, 2017

RECEIVED: 02/12/24	REVIEWER:	TYPE:	APP NO: pLEL2404432108
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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:** Teri 22-17S-37E State #1**API:** 30-025-49654**Pool:** Hobbs Channel; Bone Spring**Pool Code:** 31705

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☐ PPR2) **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

2/7/24

Date

972-371-5202

Phone Number

Kperkins@matadorresources.com

e-mail Address

Matador Production Company

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

Voice 972.371.5202

kperkins@matadorresources.com

Kyle Perkins
Senior Vice President and Assistant General Counsel

February 12, 2024

VIA CERTIFIED MAIL/RRR

TO AFFECTED PARTIES

Re: Application for Administrative Approval of Non-Standard Location for Matador's
Teri 22-17S-37E State #1 (API No. 30-025-49654) – Hobbs Channel; Bone Spring
(Pool Code 31705).

To Whom It May Concern,

Enclosed is a copy of the above-referenced application that was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please give me a call at your convenience.

Sincerely,


Kyle Perkins

Matador Production Company

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

Voice 972.371.5202

kperkins@matadorresources.com

Kyle Perkins
Senior Vice President and Assistant General Counsel

February 7, 2024

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 Teri 22-17S-37E State #1 (API No. 30-025-49654) – Hobbs Channel; Bone Spring (Pool Code 31705).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a non-standard location for its Teri 22-17S-37E State #1 (API No. 30-025-49654), to be completed in the Hobbs Channel; Bone Spring (Pool Code 31705).

Matador's Teri 22-17S-37E State #1 (API No. 30-025-49654) is a directional well, which Matador previously drilled and completed in the Strawn formation in the Humble City; Strawn, Southwest (Pool Code 96558). Matador previously received an approved non-standard location for that Strawn completion under NMOCD Administrative Order No. NSL-8278.

Based on the results from the Strawn completion, Matador plans to potentially test another zone in the existing wellbore in the Third Bone Spring of the Bone Spring formation. Matador will be separately filing a sundry for approval of that operation and plugging back the Strawn formation, but files this application for a non-standard location with respect to such Bone Spring completion. In addition, Matador may also plan to test the Upper Wolfcamp formation in this well, for which Matador will file a separate application for non-standard location for that formation.

Matador's Bone Spring well will be completed only at the bottom hole location. Matador is not aware of any special pool rules for the Hobbs Channel; Bone Spring (Pool Code 31705), and therefore pursuant to NMAC 19.15.15.9 the spacing in this oil pool will be 40-acre spacing with the well to be no closer than 330' to a boundary unit.

Mr. Leonard R. Lowe
February 7, 2024
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As set forth below, Matador's application requests a non-standard location because the proposed bottom hole is closer than 330' to the boundary of the 40-acre spacing unit. The details of Matador's proposed recompletion in the Bone Spring formation is as follows:

1. Well name: Teri 22-17S-37E State #1 (API No. 30-025-49654)
2. Pool: Hobbs Channel; Bone Spring (Pool Code 31705)
3. Spacing Unit: N/E NE/4 of Section 22, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

This is a standard spacing unit in this pool pursuant to NMAC 19.15.15.9. A copy of a draft form C102 for the well is enclosed. The well will be the first well completed in this spacing unit in this pool.

4. Acreage in Spacing Unit: 40 acres.
5. Directional Well Location:
 - a. Directional Well Surface Location: 100' FNL, 1,130 FEL of Section 22, T17S, R37E, Lea County, New Mexico.
 - b. Directional Well Bottom Hole Location: 51' FNL, 1,297' FEL of Section 22, 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, 51' FNL, 1,297' FEL of Section 22, T17S, R37E, Lea County, New Mexico.
6. Matador requests this non-standard location because the wellbore has already been drilled when Matador previously drilled and completed this well in the deeper Strawn formation. The Third Bone Spring target that Matador intends to test is located in the existing wellbore at the bottom hole location listed above, and Matador has no way of changing that bottom hole to a standard location without re-drilling the entire well. Matador does not believe it would be cost-efficient to re-drill the entire well to test the Third Bone Spring at a standard location and it may be cost-prohibitive. Accordingly, the granting of Matador's application would prevent 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.

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8. Pursuant to NMAC 19.15.4.12, the affected persons in this circumstance are those located in the adjoining quarter-quarter sections. Accordingly, the areas of encroachment are (i) the NW/4 NE/4 of Section 22, T17S, R37E, Lea County, New Mexico, and (ii) the S/2 SE/4 of Section 15, T17S, R37E, Lea County, New Mexico.

The NW/4 NE/4 of Section 22, T17S, R37E, Lea County, New Mexico is one State tract in which Greyhound Resources, LLC owns 100% of the working interest. A waiver of objection to this application from Greyhound Resources, LLC is being submitted herewith.

The S/2 SE/4 of Section 15, T17S, R37E, Lea County, New Mexico is one fee tract in which there are multiple undivided interest owners, each of whom is set forth on the notice list attached hereto. Matador will provide notice of this application to each of these persons, as shown on the enclosed exhibit.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Perkins'.

Kyle Perkins

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-8181 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) 478-3460 Fax: (505) 478-3482

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 30-025-49654	Pool Code 31705	Pool Name HOBBS CHANNEL; BONE SPRING
Property Code	Property Name TERI 22-17S-37E STATE	Well Number 1
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3739.7'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	17-S	37-E		100	NORTH	1130	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
A	22	17-S	37-E		51	NORTH	1297	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

<p>NAD 83 NME <u>BOTTOM HOLE LOCATION</u> Y=666485.0 N X=878741.0 E LAT.=32.827374° N LONG.=103.234943° W</p>	<p>NAD 83 NME <u>SURFACE LOCATION</u> Y=666437.2 N X=878908.5 E LAT.=32.827238° N LONG.=103.234399° W</p>
<p>NAD 27 NME <u>BOTTOM HOLE LOCATION</u> Y=666422.7 N X=837562.2 E LAT.=32.827258° N LONG.=103.234452° W</p>	<p>NAD 27 NME <u>SURFACE LOCATION</u> Y=666374.9 N X=837729.7 E LAT.=32.827122° N LONG.=103.233908° W</p>

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: *Reece Clark* Date: **3/11/24**
Printed Name: **Reece Clark**
E-mail Address: **reece.clark@matadore-sources.com**

SURVEYOR CERTIFICATION

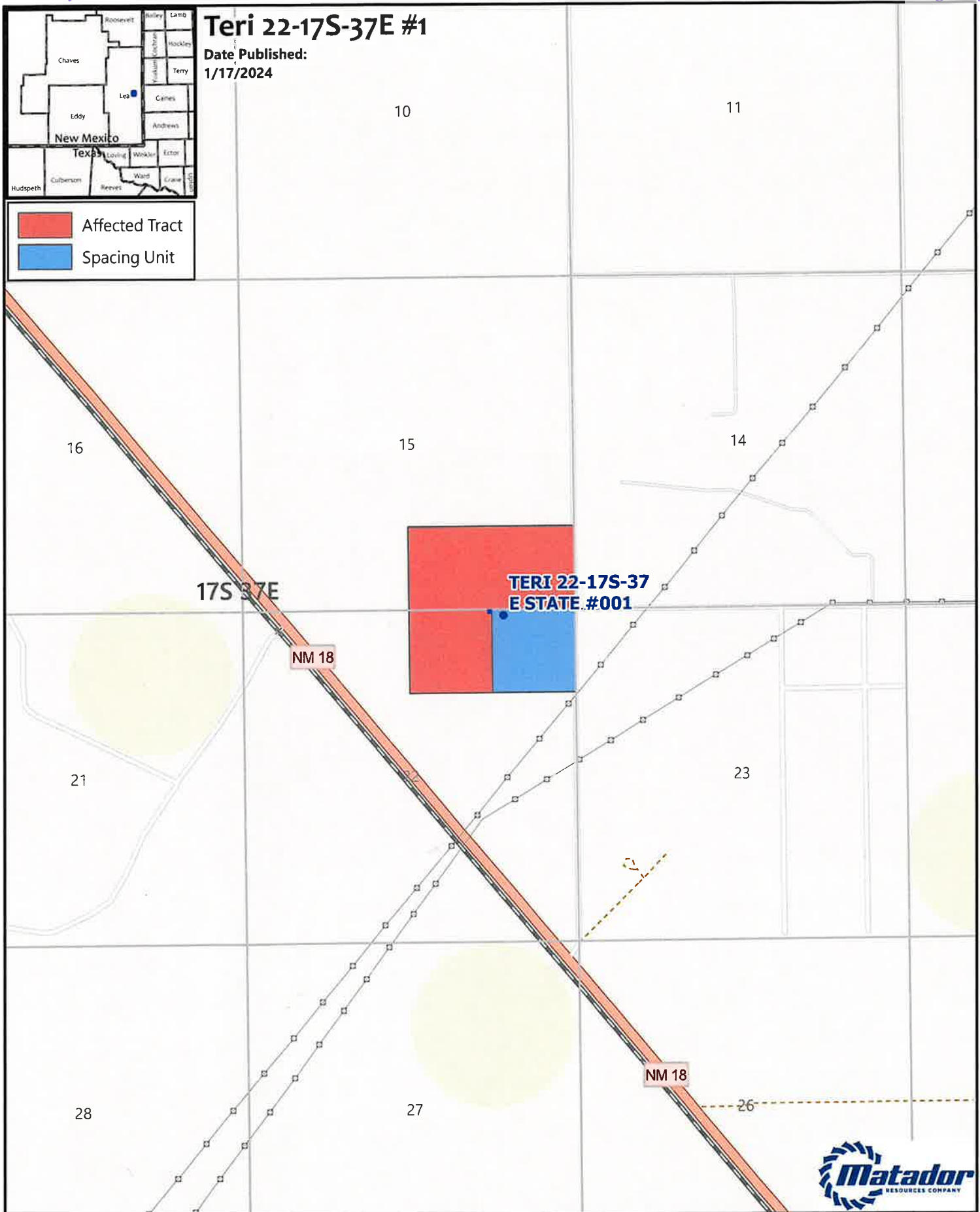
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOV. 22, 2021/UNKNOWN
Date of Survey/Date of Geographic Survey

Signature & Seal of Professional Surveyor



Chad Harcrow 10/23/23
Certificate No. CHAD HARCROW 17777
W.O. #23-827 DRAWN BY: WN



Teri 22-175-37E State #1 Affected Parties					
Type	Affected Party	Address	City, State, Zip	Affected Tract	Tracking Number
Mineral Owner	Alan Jochimsen, ssp & Marcheta Jochimsen, ssp	4209 Cardinal Lane	Midland, TX 79707	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3765 43
Mineral Owner	Doornbos Mineral Partners, LLC	105 1/2 E. Frank Phillips Blvd.	Bartlesville, OK 74003	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3765 50
Mineral Owner	E.L. Lathan, Co., LLC C/O Diane Hanley, Manager	PO Box 100912	Fort Worth, TX 76185	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3765 67
Mineral Owner	EG Energy LLC	9204 Cherokee Lane	Leawood, KS 66206	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3765 74
Mineral Owner	Isaacs Famil LLLP	5 Invemess Drive East	Englewood, CO 80112	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3765 81
Mineral Owner	James Ronald Ewing	7 Tenth Tee Circle	Maumelle, AR 72113-6445	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3765 98
Mineral Owner	Karemont Properties, LLC	P.O. Box 9451	Midland, TX 79708	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 04
Mineral Owner	Kenneth Terrell Stallings	2633 Child's Lane	Alexandria, VA 22308	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 11
Mineral Owner	Lynda Carole Stallings Kachman	3386 Planters Way	Farmville, NC 27828	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 28
Mineral Owner	Marshall & Winston, Inc	6 Desta Drive #3100	Midland, TX 79705	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 35
Mineral Owner	Norma J. Chanley aka Norma J. Barton	407 Arriba	Hobbs, NM 88240	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 42
Mineral Owner	OXY USA WTP, LP	5 Greenway Plaza, Suite 110	Houston, TX 77046-0521	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 59
Mineral Owner	Quail Creek Royalty LLC	13831 Quail Pointe Drive	Oklahoma City, OK 73134	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 66
Mineral Owner	Realeza del Spear, LP	PO Box 1684	Midland, TX 79702	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 73
Mineral Owner	Roy G. Barton, Jr.	1919 N. Turner St.	Hobbs, NM 88240	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 80
Mineral Owner	Roy G. Barton, Jr., Trustee of the Roy G. Barton Sr. & Opal Barton Revocable Trust	1919 N. Turner St.	Hobbs, NM 88240	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3766 97
Mineral Owner	Sandra McPeters	502 W. Gold	Hobbs, NM 88240	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 03
Mineral Owner	States Royalty LP	P.O. Box 911	Breckenridge, TX 76424-0911	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 10
Mineral Owner	Suzanne Shipp Cunningham, Trustee of the Suzanne Shipp Cunningham Revocable Trust, dated 7/13/2001	3613 49th Street	Tulsa, OK 74135	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 27
Mineral Owner	The Beveridge Company	PO Box 993	Midland, TX 79702	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 34
Mineral Owner	William Marshall Shipp & Pamela Ann Dixon Shipp, Trustees of the William Marshall Shipp & Pamela Ann Dixon Shipp Revocable Trust, dated 6/29/2001	1104 W. Avenue I	Lovington, NM 88260	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 41
Mineral Owner	Zia Royalty, LLC	PO Box 2160	Hobbs, NM 88241	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 58
Mineral Owner	IBEX Partnership, LTD	P.O. Box 911	Breckenridge, TX 88203	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 65
Mineral Owner	Marcheta Jochimsen	4209 Cardinal Lane	Midland, TX 79707	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 72
Mineral Owner	XTO Holdings, LLC	22777 Springwood Village Pkwy	Spring, TX 77389	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 89
Mineral Owner	Diane E. Doornbos, Trustee of the Charles F. Doornbos Revocable Trust under Trust Agreement dated 8/1/1999	P.O. Box 639	Bartlesville, OK 74005	S/2 SE/4 of Section 15, T17S, R37E	9488 9090 0027 6008 3767 96
Mineral Owner	New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe, NM 87501	NW/4 NE/4 of Section 22, T17S, R37E	9488 9090 0027 6010 7145 79

Greyhound Resources, LLC

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

Voice 972.371.5403

reece.clark@matadorresources.com

Reece Clark
Landman

January 8, 2024

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
Teri 22-17S-37E State #1 (API No. 30-025-49654) – Hobbs Channel; Bone Spring
(Pool Code 31705).

Dear Mr. Lowe,

I am writing in support of Matador Production Company's application for approval of a non-standard location for its Teri 22-17S-37E State #1 (API No. 30-025-49654), to be completed in the Hobbs Channel; Bone Spring (Pool Code 31705).

Greyhound Resources, LLC owns 100% of the working interest in the NW/4 NE/4 of Section 22, T17S, R37E, Lea County, New Mexico, which is part of one State lease.

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 Teri 22-17S-37E State #1 (API No. 30-025-49654), with a proposed bottom hole location located at 51' FNL, 1,297' FEL of Section 22, T17S, R37E, Lea County, New Mexico in the Bone Spring 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,



Reece Clark

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

Action 313508

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 313508
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	2/13/2024