

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF MATADOR PRODUCTION COMPANY FOR
AUTHORIZATION TO DEEPEN THE SALT PROTECTION STRING
REQUIRED BY DIVISION ORDER R-111-P(D)(3)(a), LEA COUNTY, NEW
MEXICO.**

CASE NO. _____

APPLICATION

Matador Production Company, (“Matador”), through its undersigned attorneys, files this application for an order authorizing the salt protection string required by R-111-P(D)(3)(a) to extend deeper than six hundred (600) feet below the base of the salt section for horizontal wells that it proposes to drill from surface locations within the S/2S/2 of Section 9 and the N/2N/2 of Section 16, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. In support of this application Matador states:

1. An affiliate of Matador Production Company (OGRID No. 228937) has the right to drill horizontal wells from the S/2S/2 of Section 9 and the N/2N/2 of Section 16.

2. Order R-111-P provides in relevant part:

Finding 22: Expansion of the R-111 area to coincide with the KPLA will bring under the purview of this order areas where potash is either absent or non-commercial and such areas should be granted less stringent casing, cementing, and plugging requirements, at the discretion of the Oil Conservation Division District supervisor.

3. The S/2S/2 of Section 9 and the N/2N/2 of Section 16 is located within the Potash Area defined by Division Order R-111-P. Accordingly, absent an exception from the Division, R-111-P(D)(3)(a) requires the following salt protection string when drilling from this location:

SALT PROTECTION STRING:

(a) A salt protection string of new or used oil field casing in good condition shall be set not less than one hundred (100) feet nor more than six hundred (600) feet below the base of the salt section; provided that such string shall not be set below the top of the highest known oil or gas zone. With prior approval of the OCD District Supervisor the wellbore may be deviated from the vertical after completely penetrating Marker Bed No. 126 (USGS) but that section of the casing set in the deviated portion of the wellbore shall be centralized at each joint.

4. Applicant proposes to drill horizontal wells from surface locations within the S/2S/2 of Section 9 and the N/2N/2 of Section 16 that will use a three-string design extending the salt protection string deeper than six hundred (600) feet below the base of the salt section to no deeper than 100' below the top of the Cherry Canyon formation.

5. Approval of this application will allow the efficient drilling of horizontal wells from this surface location without unduly diminishing commercial potash reserves in the area, will afford Matador the opportunity to produce its just and equitable share of the hydrocarbons from the targeted formation, will prevent waste and protect correlative rights.

WHEREFORE, Matador requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 1, 2022, and

after notice and hearing as required by law, the Division enter its order granting the relief request in this application.

Respectfully submitted,

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