

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



June 24, 2015

Matador Production Company
Attn: Ms. Jennifer Bradfute

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7314
Administrative Application Reference No. pMAM1515256722

Matador Production Company
OGRID 228937
Scott Walker 36 22S 27E RB Well No. 204 H
API No. 30-015-pending

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	330` FSL & 635` FWL	M	36	22S	27E	Eddy
Penetration Point	660` FSL & 660` FWL	M	36	22S	27E	Eddy
Final perforation	660` FSL & 330` FEL	P	36	22S	27E	Eddy
Terminus	660` FSL & 240` FEL	P	36	22S	27E	Eddy

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 of Section 36	320	Cass Draw; Wolfcamp (Gas)	74720

Reference is made to your application received on June 2, 2015.

You have requested to drill this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This proration unit is governed by statewide Rule 19.15.15.10.B NMAC, which provides for 320-acre units, with wells located at least 660 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because a portion of the project area is less than 660 feet from the unit boundary.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A(2) NMAC.

It is our understanding that you are seeking this location to efficiently produce its interest in the project area.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 (A) 2 NMAC, in all adjoining units towards which the proposed location encroaches. The project area encroaches on Section 31, Township 22 South, Range 28 East, and Section 6, Township 23 South, Range 28 East. These affected parties were notified and did not object during the original 20-day period. The new project area is standard for the penetration point.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on June 24, 2015



DAVID R. CATANACH
Director

DRC/mam

cc: New Mexico Oil Conservation Division – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals