



Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Gabriel Wade, Acting Director
Oil Conservation Division



April 1, 2019

Mr. Kyle Perkins
kperkins@matadorresources.com

NON-STANDARD LOCATION

Administrative Order NSL-7862

Matador Production Company [OGRID 228937]
Stebbins 19 Federal Well No. 137H
API No. 30-015-44187

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	210 FSL & 140 FEL	P	19	20S	29E	Eddy
First Take Point	50 FNL & 100 FEL	P	19	20S	29E	Eddy
Last Take Point	50 FNL & 100 FWL	4	19	20S	29E	Eddy
Terminus	1270 FSL & 60 FWL	4	19	20S	29E	Eddy

Proposed Horizontal Spacing Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S2 S2 of Section 19	155.83	Russell; Bone Spring	52805

Reference is made to your application received on March 7, 2019.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Sub Paragraph (a) of Paragraph (1) of Subsection B of 19.15.16.15 NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 50 feet to the northern edge. Encroachments will impact the following tracts.

Section 19, encroachment to the N2 S2

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you seek this location as an efficient well spacing for horizontal wells to maximize the recovery of oil and gas reserves underlying the horizontal spacing unit located within the Bone Spring formation underlying the S2 S2 of Section 19.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



Gabriel Wade
Acting Director

GW/lrl

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, April 3, 2019 11:26 AM
To: 'Kyle Perkins'
Cc: Mike Bratcher (mike.bratcher@state.nm.us); Cordero, Gilbert, EMNRD; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G, EMNRD; Murphy, Kathleen A, EMNRD; 'lisa@rwbyram.com'
Subject: APPROVED NSL-7862_Matador Production Company_Stebbins 19 Federal Well No. 137H_SEC 19 20S 29E_Eddy County
Importance: High

Mr. Kyle Perkins

The following administrative order has been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7862

Matador Production Company [228937]

30-015-44187

Stebbins 19 Federal Well No. 137H

Leonard Lowe

Engineering Bureau

Oil Conservation Division

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