

State of New Mexico
Energy, Minerals and Natural Resources Department

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December 27th, 2021

Mr. Kyle Perkins
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NON-STANDARD LOCATION

Administrative Order NSL-8276

**Matador Production Company [OGRID 228937]
Jackson Coker 11 17S 37E Well No. 1
API No. 30-025-PENDING**

Surface Location; Vertical Well

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
2481 FNL & 945 FEL	H	11	17S	37E	Lea
2481 FNL & 760 FEL	H	11	17S	37E	Lea

Proposed Oil Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 NE/4 of Section 11	80	Humble City; Strawn	33490

Reference is made to your application received on December 21, 2020.

This vertical well was drilled at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by special rule R-4338, which provides for 80-acre units, with wells to be located within 150 feet from the center of a governmental quarter – quarter section or lot.

This well's take point is 351 feet outside of the set back requirements and will encroach to the southern boundary. Encroachment will impact the following tracts.

Section 11, encroachment to the NE/4 SE/4

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. The applicant is 100% working interest within the affected acreage tract. Therefore, the 20 - day public notice is not required.

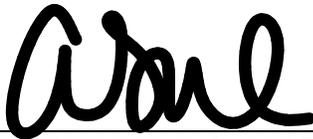
Division understands that this non - standard location is requested to allow for the most efficient development of acreage within the Strawn formation underlying the S/2 NE/4 of Section 11. Thereby preventing waste.

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl