

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



January 24th, 2021

Mr. Kyle Perkins
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NON-STANDARD LOCATION

Administrative Order NSL-8278

Matador Production Company [OGRID 228937]
Teri 22 17S 37E State 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>
100 FNL & 1130 FEL	A	22	17S	37E	Lea
26 FNL & 1359 FEL	B	22	17S	37E	Lea

Proposed Oil Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N/2 NE/4 of Section 22	80	Humble City; Strawn, southwest	96558

Reference is made to your application received on December 6th, 2021. This application was initially protested on December 23rd, 2021. The protest was resolved on January 20th, 2022.

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 pool rule R-10595, which provides for 80-acre units, with wells to be located at least 330 from the QTR/QTR line.

This well's completed interval is as close as 26 feet to the northern boundary. Encroachment will impact the following tracts.

Section 15, encroachment to the S/2 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.

Division understands that this non – standard location is needed to allow for the most efficient development of this acreage, thereby preventing waste within the Strawn formation underlying the N2 NE4 of Section 22.

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

cc: State Land Office – Oil, Gas, and Mineral Division