

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

Adrienne E. Sandoval, Director
Oil Conservation Division



Mr. Kyle Perkins
kperkins@matadorresources.com

NON-STANDARD LOCATION

Administrative Order NSL-8379

Matador Production Company [OGRID 228937]
Julie 01 17S 37E Well No. 1
API No. 30-025-PENDING

Surface Location; Directional Well

<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
359 FNL & 326 FWL	4	1	17S	37E	Lea
958 FNL & 1112 FWL	4	1	17S	37E	Lea

Proposed Oil Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
N/2 NW/4 of Section 1	82.36	Shipp; Strawn	55695

Reference is made to your application received on May 19th, 2022.

This directional 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 – 8062-A, which provides for 80-acre units, with wells to be located at least 510 from the QTR/QTR section line.

This well's completed interval is as close as 362 feet to the southern boundary of the spacing unit. Encroachment will impact the following tracts.

Section 1, encroachment to the S/2 NW/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 you are requesting this unorthodox location in order to efficiently drain reserves therefore preventing waste within the Strawn formation underlying the N/2 NW/4 of Section 1.

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

7/01/2022

Date: _____

AES/lrl