

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Mr. Kyle Perkins
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NON-STANDARD LOCATION

Administrative Order NSL - 8525

**Matador Production Company [OGRID 228937]
Rey B 13 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> |
|--------------------|-----------------|-------------|-------------|--------------|---------------|
| 340 FNL & 2373 FEL | B | 13 | 17S | 37E | Lea |
| 701 FNL & 2362 FEL | B | 13 | 17S | 37E | Lea |

Proposed Oil Unit

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|------------------------|--------------|----------------------------|------------------|
| W/2 NE/4 of Section 13 | 80 | Humble City; Strawn, South | 33500 |

Reference is made to your application received on January 5th, 2023.

This directional well was drilled at an unorthodox location described above in the referenced pool and formation. This location is governed by special pool rule, R - 6913, which provides for 80-acre spacing units and wells to be located at least 150 from the center of the governmental QTR-QTR section, providing an orthodox set-back requirement of 510 feet to the outer unit boundary.

This well's completed interval is as close as 232 feet to the western unit boundary. Encroachment will impact the following tract(s).

Section 13, encroachment to the NE/4 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 the reservoir and prevent waste within the Strawn formation underlying the W/2 NE/4 of Section 13.

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.



DYLAN M. FUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 2/7/2023