

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



May 24, 2016

Matador Production Company
Attn: Ms. Zoe E. Lees

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7419

Matador Production Company
OGRID 228937
B Banker 33 23S 28E RB Well No. 226H
API No. 30-015-pending

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1881` FNL & 145` FEL	H	33	23S	28E	Eddy
Penetration Point	2310` FNL & 330` FEL	H	33	23S	28E	Eddy
Final perforation	2310` FNL & 330` FWL	E	33	23S	28E	Eddy
Terminus	2310` FNL & 240` FWL	E	33	23S	28E	Eddy

Proposed Gas Spacing Unit:

<u>Description</u>	<u>Acres</u>	<u>Formation (Product)</u>	<u>Pool Code</u>
N/2 of Section 33	320	Culebra Bluff, Wolfcamp South (Gas)	75750

Reference is made to your application received on April 25, 2016.

You have requested to drill this horizontal well at an unorthodox gas well location described above in the referenced pool or formation. This location is governed by Division Rule 19.15.15.10.B NMAC, which provides for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed gas spacing unit than any location that would be a standard location under the applicable pool rules.

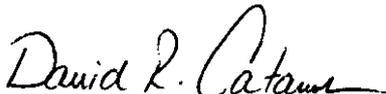
Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that Matador is seeking this location to efficiently produce its interest in Section 33.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved in order to prevent waste and protect correlative rights.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.


DAVID R. CATANACH
Director

DRC/lrl

cc: Oil Conservation Division – Artesia District Office