

ID NO. 65211

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2202053313
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Matador Production Company**OGRID Number:** 228937**Well Name:** Teri 22-17S-37E State #1**API:** Pending**Pool:** Humble City; Strawn, Southwest**Pool Code:** 96558

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for
 administrative approval is **accurate** and **complete** to the best of my knowledge. I also
 understand that **no action** will be taken on this application until the required information and
 notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kyle Perkins

Print or Type Name

Signature

12/6/21

Date

972-371-5202

Phone Number

Kperkins@matadorresources.com

e-mail Address

DISTRICT I

1626 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II

811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III

1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87605
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 96558	Pool Name Humble City; Strawn, Southwest
Property Code	Property Name TERI 22-17S-37E STATE	Well Number 1
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3739.7'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	17-S	37-E		100	NORTH	1130	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	22	17-S	37-E		26	NORTH	1359	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Signature</i> <u>Michael Weeks</u> <i>Date</i> <u>12/6/2021</u></p> <p><i>Printed Name</i> <u>NICHOLAS WEEKS</u></p> <p><i>E-mail Address</i> <u>NWEEKS@MATADOR-RESOURCES.COM</u></p>
<p>NAD 83 NME <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=878678.7 N X=666509.4 E LAT.=32.827443° N LONG.=103.235145° W</p>	<p>NAD 83 NME <u>SURFACE LOCATION</u> Y=878908.5 N X=666437.2 E LAT.=32.827238° N LONG.=103.234400° W</p>	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 22, 2021</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <div style="text-align: center;"> </div> <p><i>Signature</i> <u>Chad Harcrow</u> <i>Date</i> <u>11/23/21</u></p> <p>Certificate No. CHAD HARCROW 17777</p> <p>W.O. #21-939 DRAWN BY: JH</p>

	Teri 22-17S-37E State #1 Affected Parties				
Type	Affected Party	Address	City, State, Zip	Affected Tract	Tracking Number
Mineral Owner	Alan Jochimsen, a married man dealing with his sole & separate property	4209 Cardinal Lane	Midland, TX 79707	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 80
Mineral Owner	Diane E. Doornbos, Trustee of the Charles F. Doornbos Revocable Trust under Trust Agreement dated 8/1/1999	P.O. Box 639	Bartlesville, OK 74005	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 8125 56
Mineral Owner	E.L. Lathan, Co., LLC C/O Diane Hanley, Manager	PO Box 100912	Fort Worth, TX 76185	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 89
Mineral Owner	IBEX Partnership, LTD	P.O. Box 911	Breckenridge, TX 88203	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 8125 63
Mineral Owner	James Ronald Ewing, a single man dealing in his sole & separate property	7 Tenth Tee Circle	Maumelle, AR 72113-6445	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 10
Mineral Owner	Kenneth Terrell Stallings, a married man as his sole and separate property	2633 Child's Lane	Alexandria, VA 22308	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6809 02
Mineral Owner	Lynda Carole Stallings Kachman, a married woman, as her sole & separate property	3386 Planters Way	Farmville, NC 27828	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 96
Mineral Owner	Marcheta Jochimsen, a married women dealing with her sole & separate property	4209 Cardinal Lane	Midland, TX 79707	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 73
Mineral Owner	Marshall & Winston, Inc	PO Box 50880	Midland, TX 79710-0880	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 28
Mineral Owner	Monty McLane & wife Karen McLane	PO Box 9451	Midland, TX 79708	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 97
Mineral Owner	Norma J. Chanley aka Norma J. Barton, as her sole and separate property	PO Box 728	Hobbs, NM 88241	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 66
Mineral Owner	Oxy USA, Inc	5 Greenway Plaza, Suite 110	Houston, TX 77046	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 58
Mineral Owner	Realeza del Spear, LP	PO Box 1684	Midland, TX 79702	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 04
Mineral Owner	Roy G. Barton, Jr., dealing in his sole & separate property	1919 N. Turner St.	Hobbs, NM 88240	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 59
Mineral Owner	Roy G. Barton, Jr., Trustee of the Roy G. Barton Sr. & Opal Barton Revocable Trust	1919 N. Turner St.	Hobbs, NM 88240	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 42
Mineral Owner	States, LTD	PO Box 911	Breckenridge, TX 76424-0911	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 03
Mineral Owner	Suzanne Shipp Cunningham, Trustee of the Suzanne Shipp Cunningham Revocable Trust, dated 7/13/2001	3613 49th Street	Tulsa, OK 74135	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 41
Mineral Owner	The Beveridge Company	PO Box 993	Midland, TX 79702	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 11
Mineral Owner	William Marshall Shipp & Pamela Ann Dixon Shipp, Trustees of the William Marshall Shipp & Pamela Ann Dixon Shipp Revocable Trust, dated 6/29/2001	1104 W. Avenue I	Lovington, NM 88260	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 27
Mineral Owner	XTO Holdings, LLC	22777 Springwood Village Pkwy	Spring, TX 77389	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6808 65
Mineral Owner	Zia Royalty, LLC	PO Box 2160	Hobbs, NM 88241	SE/4 of Section 15, T17S, R37E	9488 9090 0027 6005 6807 35

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5202

kperkins@matadorresources.com

Kyle Perkins
Vice President and Assistant General Counsel

December 6, 2021

VIA CERTIFIED MAIL/RRR

TO AFFECTED PARTIES

Re: Application for Administrative Approval of Non-Standard Location for Matador's Teri 22-17S-37E State #1 (API pending) – Humble City; Strawn, Southwest (Pool Code 96558).

To Whom It May Concern,

Enclosed is a copy of the above-referenced application that was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please give me a call at your convenience.

Sincerely,



Kyle Perkins

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5476

aparker@matadorresources.com

Andrew Parker
Vice President of Geology

November 29, 2021

VIA ONLINE FILING

Mr. Leonard R. Lowe
Engineering Bureau
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Non-Standard Location for Matador's
Teri 22-17S-37E #1 (API pending) – Humble City; Strawn, Southwest (Pool Code
96558).

Dear Mr. Lowe,

I am writing in support of Matador Production Company's application for approval of a non-standard location for our Teri 22-17S-37E #1 (API pending), to be completed in the Humble City; Strawn, Southwest (Pool Code 96558).

Matador has access to 3D seismic data covering the Strawn formation on this acreage. Based on our interpretation of that 3D seismic data, we have found that there are discrete reservoirs within the Strawn formation in this area, including the reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—26' FNL, 1,359' FEL of Section 22, T17S, R37E—is located where we believe we can most efficiently drain the discrete reservoir we have identified on this acreage. We do not believe we can efficiently drain this reservoir from a standard location within 150 feet of the center of a quarter-quarter section, and we believe that attempting to do so would leave significant production volumes in place and result in waste. The granting of Matador's application would prevent this waste and lead to the most efficient development of this acreage.

Sincerely,



Andrew Parker

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5202

kperkins@matadorresources.com

Kyle Perkins
Vice President and Assistant General Counsel

December 6, 2021

VIA ONLINE FILING

Mr. Leonard R. Lowe
Engineering Bureau
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Non-Standard Location for Matador's Teri 22-17S-37E State #1 (API pending) – Humble City; Strawn, Southwest (Pool Code 96558).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a non-standard location for our Teri 22-17S-37E State #1 (API pending), to be completed in the Humble City; Strawn, Southwest (Pool Code 96558).

Matador's Teri 22-17S-37E State #1 (API pending) is a directional well to be completed only at the bottom hole location. The special pool rules for the Humble City; Strawn, Southwest (Pool Code 96558) were set forth in Division Order R-10595. Pursuant to those special pool rules:

- a. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2 or W/2 of a governmental quarter section; and
- b. Each well shall be located within 150 feet of the center of a governmental quarter-section or lot.

As set forth below, Matador's application requests a non-standard location because the proposed bottom hole is located outside 150 feet of the center of the subject governmental quarter-section. Matador will be filing its application for a drilling permit for this well separately in the near future.

Mr. Leonard R. Lowe
December 6, 2021
Page 2

1. Well name: Teri 22-17S-37E State #1 (API pending)
2. Pool: Humble City; Strawn, Southwest (Pool Code 96558)
3. Spacing Unit: N/2 NE/4 of Section 22, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

This is a standard spacing unit in this pool pursuant to Division Order R-10595. A copy of a draft form C102 for the well is enclosed. The well will be the first well drilled in this spacing unit.

4. Acreage in Spacing Unit: 80 acres.
5. Directional Well Location:
 - a. Directional Well Surface Location: 100' FNL, 1,130 FEL of Section 22, T17S, R37E, Lea County, New Mexico.
 - b. Directional Well Bottom Hole Location: 26' FNL, 1,359' FEL of Section 22, T17S, R37E, Lea County, New Mexico.
 - c. Directional Well's Completed Interval: The well's entire completed interval will be located at the bottom hole location; specifically, 26' FNL, 1,359' FEL of Section 22, T17S, R37E, Lea County, New Mexico.
6. Matador requests this non-standard location because it will allow for the most efficient development of this acreage, thereby preventing waste. Specifically, as set forth in the attached letter from Matador's Vice President of Geology, 3D seismic has revealed discrete reservoirs within the Strawn formation in this area, including the discrete reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—26' FNL, 1,359' FEL of Section 22, T17S, R37E—is located where Matador believes it can most efficiently drain the discrete reservoir identified on this acreage. Matador does not believe it can efficiently drain this reservoir from a standard location within 150 feet of the center of a quarter-quarter section, and believes that attempting to do so would leave significant production volumes in place and result in waste. Accordingly, the granting of Matador's application would prevent this waste and lead to the most efficient development of this acreage.
7. The well is in an oil pool and we anticipate the well will produce both oil and gas.
8. Pursuant to NMAC 19.15.4.12(B)(a), the affected persons in this circumstance are those located in the adjoining quarter section because the spacing unit that is the subject of this application is greater than 40 acres under the special pool rules. Accordingly, the area of encroachment is the SE/4 of Section 15, T17S, R37E, Lea County, New Mexico.

Mr. Leonard R. Lowe
December 6, 2021
Page 3

The SE/4 of Section 15, T17S, R37E, Lea County, New Mexico is one fee tract in which there are multiple undivided interest owners, each of whom is set forth on the notice list attached hereto. Matador will provide notice of this application to each of these persons, as shown on the enclosed exhibit.

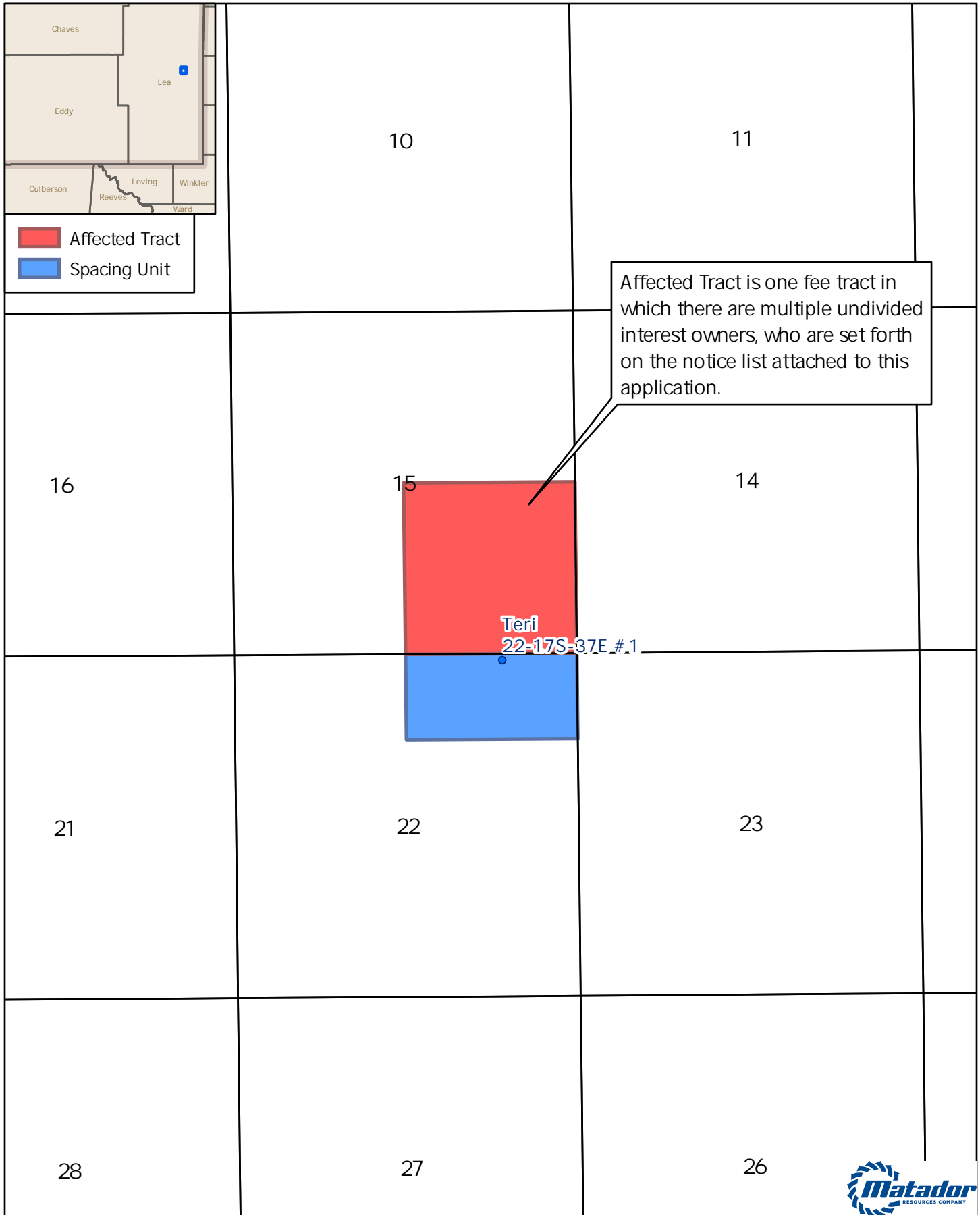
If you would like any additional information regarding this application, please let me know.

Sincerely,



Kyle Perkins

Teri 22-17S-37E #1



Affected Tract is one fee tract in which there are multiple undivided interest owners, who are set forth on the notice list attached to this application.

Teri
22-17S-37E #1



Southeast New Mexico

GIS Standard Map Disclaimer:

This cartographic product is for informational purposes and may not have been prepared for, or be suitable for, legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

1:24,000

1 inch = 2,000 feet

Map Prepared by: thuddins

Project: TeriExhibit

Date: 12/6/2021

Coordinate System: NAD 1983 2011 StatePlane New Mexico East FIPS 3001 FT US

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 65211

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 65211
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/20/2021