

RECEIVED: 01/10/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2205452952
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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: Monika 14-17S-37E #1

API: Pending

Pool: Humble City Strawn, South

Pool Code: 33500

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

1/10/22

Date

972-371-5202

Phone Number

Kperkins@matadorresources.com

e-mail Address

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

January 10, 2022

VIA CERTIFIED MAIL/RRR

TO AFFECTED PARTIES

Re: Application for Administrative Approval of Non-Standard Location for Matador's Monika 14-17S-37E #1 (API pending) – Humble City; Strawn, South (Pool Code 33500).

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 972.371.5202

kperkins@matadorresources.com

Kyle Perkins
Vice President and Assistant General Counsel

January 10, 2022

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
Monika 14-17S-37E #1 (API pending) – Humble City; Strawn, South (Pool Code
33500).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a non-standard location for our Monika 14-17S-37E #1 (API pending), to be completed in the Humble City; Strawn, South (Pool Code 33500).

Matador's Monika 14-17S-37E #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, South (Pool Code 33500) were set forth in Division Order R-6913. 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-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-quarter section. Matador will be filing its application for a drilling permit for this well separately in the near future.

Mr. Leonard R. Lowe
January 10, 2022
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1. Well name: Monika 14-17S-37E #1 (API pending)
2. Pool: Humble City; Strawn, South (Pool Code 33500)
3. Spacing Unit: S/2 NE/4 of Section 14, 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-6913. 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: 2,128' FNL, 2,321' FEL of Section 14, T17S, R37E, Lea County, New Mexico.
 - b. Directional Well Bottom Hole Location: 1,376' FNL, 1,761' FEL of Section 14, 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, 1,376' FNL, 1,761' FEL of Section 14, 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—1,376' FNL, 1,761' FEL of Section 14, 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 N/2 NE/4 of Section 14, T17S, R37E, Lea County, New Mexico.

Mr. Leonard R. Lowe
January 10, 2022
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The N/2 NE/4 of Section 14, 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,

A handwritten signature in blue ink, appearing to read "K. Perkins", with a small dot at the end.

Kyle Perkins

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-8161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1983 Fax: (575) 748-0720

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

DISTRICT IV
1820 S. ST. FRANCIS DR., SANTA FE, NM 87605
Phone: (505) 478-3460 Fax: (505) 478-3462

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 33500	Pool Name HUMBLE CITY; STRAWN, SOUTH
Property Code	Property Name MONIKA 14-17S-37E	Well Number 1
OGRID No.	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3738.5'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	17-S	37-E		2128	NORTH	2321	EAST	LEA

Bottom Hole Location If Different From Surface

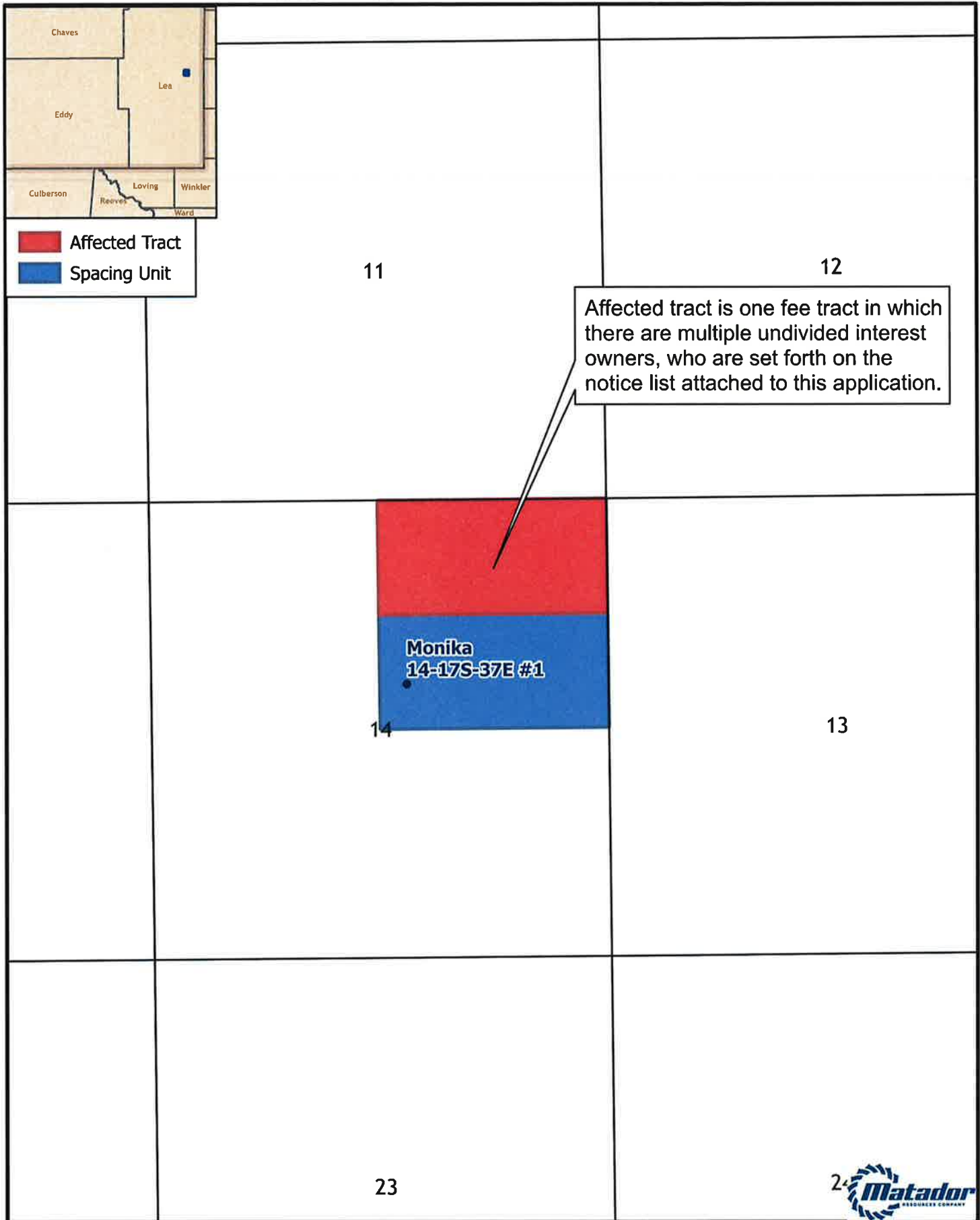
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	17-S	37-E		1376	NORTH	1761	EAST	LEA

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>Nicholas A. Weeks</i> Signature Date</p> <p>Nicholas A. Weeks Printed Name</p> <p>nweeks@matadorresources.com E-mail Address</p>
<p>NAD 83 NME GRID AZ. - 36°04'17" HORZ. DIST. - 935.0'</p> <p>NAD 27 NME GRID AZ. - 36°04'21" HORZ. DIST. - 935.0'</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>DECEMBER 14, 2021 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p>
<p>NAD 27 NME SURFACE LOCATION Y=669663.7 N X=841779.9 E LAT.=32.836044° N LONG.=103.220613° W</p>	<p>NAD 83 NME SURFACE LOCATION Y=669725.8 N X=882958.5 E LAT.=32.836159° N LONG.=103.221105° W</p>	<p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p><i>Chad L. Harcrow</i> 12/20/21 Certificate No. CHAD HARCROW 17777 W.O. # 21-1044 DRAWN BY: SP</p>
<p>NAD 27 NME PROPOSED BOTTOM HOLE LOCATION Y=670419.4 N X=842330.4 E LAT.=32.838105° N LONG.=103.218795° W</p>	<p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=670481.5 N X=883509.0 E LAT.=32.838220° N LONG.=103.219287° W</p>	

Monika 14-17S-37E #1



Southeast New Mexico

1:18,000

1 inch = 1,500 feet

US Feet

Map Prepared by: agreen
Project: TwinLakesHSL
Date: 12/27/2021

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

Monika 14-175-37E #1 Affected Parties					
Type	Affected Party	Address	City, State, Zip	Affected Tract	Tracking Number
Mineral Owner	Norma J. Chanley	P.O. Box 728	Hobbs, NM 88241	N/2NE/4	9488 9090 0027 6005 8107 98
Mineral Owner	Roy G. Barton Jr.	1919 N. Turner St.	Hobbs, NM 88240	N/2NE/4	9488 9090 0027 6005 8108 04
Mineral Owner	Featherstone Development Corp.	P.O. Box 429	Roswell, NM 88202-0429	N/2NE/4	9488 9090 0027 6005 8108 11
Mineral Owner	David Petroleum Corp.	116 West 1st St.	Roswell, NM 88203	N/2NE/4	9488 9090 0027 6005 8108 28
Mineral Owner	Olli Energy LLC	3001 West North Loop 250 W.	Midland, TX 79705	N/2NE/4	9488 9090 0027 6005 8108 35
Mineral Owner	Kay R. McMillan Survivors Trust	118 West 1st St.	Roswell, NM 88203	N/2NE/4	9488 9090 0027 6005 8108 42
Mineral Owner	South Fifth Energy LLC	P.O. Box 130	Ruidoso, NM 88355	N/2NE/4	9488 9090 0027 6005 8108 59
Mineral Owner	Ross Duncan Properties LLC	P.O. Box 647	Artesia, NM 88211	N/2NE/4	9488 9090 0027 6005 8108 66
Mineral Owner	Tanna Energy Partners LP	4000 N. Big Spring St., Suite 310	Midland, TX 79705	N/2NE/4	9488 9090 0027 6005 8108 97
Mineral Owner	Alliance Land & Minerals LLC	1762 Queen Hwy.	Carlsbad, NM 88220	N/2NE/4	9488 9090 0027 6005 8109 03
Mineral Owner	Powhatan Carter III	1382 Caprock Rd.	Fort Sumner, NM 88119	N/2NE/4	9488 9090 0027 6005 8109 10
Mineral Owner	Rodney Carter	736 Trailside Rd.	Roundrock, TX 78665	N/2NE/4	9488 9090 0027 6005 8109 27
Mineral Owner	Charles & Beverly Revocable Trust 12/15/1993	9977 Yaso Creek Rd.	Yeso, NM 88136	N/2NE/4	9488 9090 0027 6005 8109 34
Mineral Owner	DEBCO LLC	P.O. Box 1090	Roswell, NM 88202	N/2NE/4	9488 9090 0027 6005 8109 41
Mineral Owner	Anna F. Kastman Jenkin	5668 Country View Lane	Frisco, TX 75034	N/2NE/4	9488 9090 0027 6005 8109 58
Mineral Owner	Melonie F. Kastman	4347 W. Northwest Hwy., #120	Dallas, TX 75220	N/2NE/4	9488 9090 0027 6005 8109 65
Mineral Owner	Benton A. Kastman	P.O. Box 997	Lubbock, TX 79408	N/2NE/4	9488 9090 0027 6005 8109 72
Mineral Owner	Brandon H. Kastman	1950 West Bell Street	Houston, TX 77019	N/2NE/4	9488 9090 0027 6005 8109 89
Mineral Owner	Angela E. Kastman Corr	P.O. Box 5930	Lubbock, TX 79408	N/2NE/4	9488 9090 0027 6005 8109 96
Mineral Owner	XTO Holdings LLC	22777 Springwoods Village Parkway	Spring, TX 77389	N/2NE/4	9488 9090 0027 6005 8110 09
Mineral Owner	James Coe Schlicher	2309 Bridle Path	Austin, TX 78703	N/2NE/4	9488 9090 0027 6007 0225 26
Mineral Owner	Christine Schlicher Johnson	6541 Park Lane	Dallas, TX 75225	N/2NE/4	9488 9090 0027 6007 0225 33
Mineral Owner	Donna L. Strong	1004 Jackson St.	SE Albuquerque, NM 87108	N/2NE/4	9488 9090 0027 6007 0225 40
Mineral Owner	Lynn Blackburn	3816 Cherax Rd.	NE Albuquerque, NM 87111	N/2NE/4	9488 9090 0027 6007 0225 57

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

January 5, 2022

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
Monika 14-17S-37E #1 (API pending) – Humble City; Strawn, South (Pool Code
33500).

Dear Mr. Lowe,

I am writing in support of Matador Production Company's application for approval of a non-standard location for our Monika 14-17S-37E #1 (API pending), to be completed in the Humble City; Strawn, South (Pool Code 33500).

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—1,376' FNL, 1,761' FEL of Section 14, T17S, R37E—is located where we believe we can most efficiently drain the 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

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 71354

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 71354
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
Ilowe	NSL-8308 is approved.	3/29/2022