

State of New Mexico
Energy, Minerals and Natural Resources Department

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Mr. Kyle Perkins
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NON-STANDARD LOCATION

Administrative Order NSL - 8590

Matador Production Company [OGRID 228937]
Michael K 2122 Federal Com Well No. 204H
API No. 30-015-53685

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	1074 FSL & 964 FEL	P	20	20S	29E	Eddy
First Take Point	665 FSL & 100 FWL	M	21	20S	29E	Eddy
Last Take Point/ Terminus	665 FSL & 1432 FEL	O	22	20S	29E	Eddy

Proposed Horizontal Spacing Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S/2 of Section 21 SW/4, W/2 SE/4 of Section 22	560	Burton Flat; Wolfcamp, East	73480

Reference is made to your application received on May 25th, 2023.

You have requested to drill this horizontal well at an unorthodox Gas well location described above in the referenced pool or formation. 19.15.16.15(B)(3)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter section or equivalent.

This well's completed interval is as close as 100 feet to the western edge and 112 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tract(s).

- Section 20, encroachment to the SE/4
- Section 22, encroachment to the E/2 SE/4
- Section 23, encroachment to the W/2 SW/4

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to allow for the most efficient development of acreage within the Wolfcamp formation. Thereby preventing waste within the formation underlying the S/2 of Section 21 and the SW/4, W/2 SE/4 of Section 22.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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
DMF/lrl

Date: 7/10/2023

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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CONDITIONS

Action 238986

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 238986
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	7/12/2023