

State of New Mexico
Energy, Minerals and Natural Resources Department

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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8797

Matador Production Company [OGRID 228937]
Paul Flowers Federal State Com Well No. 152H
API No. 30-025-52693

Reference is made to your application received on August 20th, 2024.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	472 FSL & 2068 FEL	O	06	22S	33E	Lea
First Take Point	100 FSL & 2178 FWL	N	06	22S	33E	Lea
Last Take Point/ Terminus	2751 FNL & 2391 FWL	K	30	21S	33E	Lea

Non-Standard Location Spacing Unit (Pool)

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 SW/4 Section 30, T21S, R33E	240.0	Wildcat; Bone Spring	97927
E/2 W/2 Section 31, T21S, R33E			

Proposed Entire Horizontal Spacing Unit (Total Acreage = 400.01 acres)

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 W/2 Section 06, T22S, R33E	160.01	Legg; Bone Spring	37870
E/2 W/2 Section 31, T21S, R33E	240.0	Wildcat; Bone Spring	97927
E/2 SW/4 Section 30, T21S, R33E			

The total horizontal spacing unit (HSU) for this well encompasses two pool/formations. The latter portion of the HSU is subject to pool code No. 97927 pool/formation and is subject to the NSL requirements. The horizontal well to be drilled is at an unorthodox well location described above in the referenced pool/formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing

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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 - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an oil well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well’s latter portion of its completed interval is as close as 249 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 30, T21S, R33E, encroachment to the W/2 SE/4

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 in order to avoid potential anti-collision concerns with existing well bores, thus preventing waste and protecting correlative rights within the Bone Spring formation underlying the E/2 SW/4 of Section 30, T21S, R33E. The well’s entire completed HSU also encompasses the E/2 W/2 of Section 31, T22S, R33E and the E/2 W/2 of Section 06, T22S, R33E.

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.



GERASIMOS RAZATOS
DIRECTOR (ACTING)
GR/lrl

Date: 12/11/2024

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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CONDITIONS

Action 414254

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 414254
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/20/2024