



Approved

NSL

Order

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Cabinet Secretary

**Gabriel Wade, Acting Director**  
Oil Conservation Division



April 1, 2019

Mr. Kyle Perkins  
[kperkins@matadorresources.com](mailto:kperkins@matadorresources.com)

NON-STANDARD LOCATION

**Administrative Order NSL-7862**

**Matador Production Company [OGRID 228937]**  
**Stebbins 19 Federal Well No. 137H**  
**API No. 30-015-44187**

**Proposed Location**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	210 FSL & 140 FEL	P	19	20S	29E	Eddy
First Take Point	50 FNL & 100 FEL	P	19	20S	29E	Eddy
Last Take Point	50 FNL & 100 FWL	4	19	20S	29E	Eddy
Terminus	1270 FSL & 60 FWL	4	19	20S	29E	Eddy

**Proposed Horizontal Spacing Unit**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
S2 S2 of Section 19	155.83	Russell; Bone Spring	52805

Reference is made to your application received on March 7, 2019.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Sub Paragraph (a) of Paragraph (1) of Subsection B of 19.15.16.15 NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 50 feet to the northern edge. Encroachments will impact the following tracts.

Section 19, encroachment to the N2 S2

Administrative Order NSL-7862  
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April 1, 2019  
Page 2 of 2

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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 Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you seek this location as an efficient well spacing for horizontal wells to maximize the recovery of oil and gas reserves underlying the horizontal spacing unit located within the Bone Spring formation underlying the S2 S2 of Section 19.

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

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

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.



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**Gabriel Wade**  
**Acting Director**

GW/lrl

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Office

## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Wednesday, April 3, 2019 11:26 AM  
**To:** 'Kyle Perkins'  
**Cc:** Mike Bratcher (mike.bratcher@state.nm.us); Cordero, Gilbert, EMNRD; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G, EMNRD; Murphy, Kathleen A, EMNRD; 'lisa@rwbyram.com'  
**Subject:** APPROVED NSL-7862\_Matador Production Company\_Stebbins 19 Federal Well No. 137H\_SEC 19 20S 29E\_Eddy County  
**Importance:** High

Mr. Kyle Perkins

The following administrative order has been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

### **NSL-7862**

Matador Production Company [228937]

30-015-44187

Stebbins 19 Federal Well No. 137H

#### **Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

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