

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



October 14th, 2021

Mr. Kyle Perkins
kperkins@matadorresources.com

Administrative Order NSP-2130

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Matador Production Company [OGRID 228937]
Michael Ryan Federal Com Well No. 203H, API 30-015-PENDING
Michael Ryan Federal Com Well No. 204H, API 30-015-PENDING

Reference is made to your application received on September 23rd, 2021.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Decreased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
S/2 of Section 16 & SW/4, W/2 SE/4 of Section 15	560	Purple Sage; Wolfcamp	98220

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit, consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(3) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Eddy County, New Mexico.

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 which are being excluded.

You have requested this non-standard horizontal spacing unit due to the existing Big Eddy Unit located in the excluded 80 acres of the horizontal spacing unit of the horizontal spacing unit

within the S/2 of section 16 and the SW/4, W/2 SE/4 of section 15. Therefore, reducing waste while protecting correlative rights within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit with a Sundry notice to the Engineering Bureau, reference this NSP Order.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc:

State Land Office – Oil, Gas, and Minerals Division
Bureau of Land Management – Carlsbad Field Office