MAM

22/2015

PMAM1526521821

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

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 **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [9D-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Sait Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1]TYPE OF APPLICATION - Check Those Which Apply for [A] - mAtedor Productionco. Location - Spacing Unit - Simultaneous Dedication NSL ☐ NSP ☐ SD Check One Only for [B] or [C] -Dr. K. 26-235-275 Pg Commingling - Storage - Measurement [B] ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C] □ WFX □ PMX □ SWD □ IPI □ EOR □ PPR [D] Other: Specify Pool

NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply wolks And Ranch

[A] Working, Royalty or Overriding Royalty Interest Owners

[B] Offset Operators. Leaseholders or Surface Owners [2] [C]Application is One Which Requires Published Legal Notice Notification and/or Concurrent Approval by BLM or SLO [D]U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office For all of the above, Proof of Notification or Publication is Attached, and/or, [E] [F] Waivers are Attached SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE [3] OF APPLICATION INDICATED ABOVE. 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. 4 Note: Statement must be completed by an individual with managerial and/or supervisory capacity. Jennifer Bradfute Attorney 9/21/2015 Title Print or Type Name Date jlb@modrall.com e-mail Address



September 22, 2015

Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 jlb@modrall.com

David Catanach
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Dr. K 24-23S-27E RB #203H well located in the S/2 of Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Dear Mr. Catanach:

Matador Production Company (OGRID No. <u>228937</u>) seeks administrative approval of an unorthodox well location for its Dr. K 24-23S-27E RB #203H well (API number pending) to be completed within the Forehand Ranch, Wolfcamp (Gas) pool (Pool Code 76780) underlying the S/2 of Section 24, Township 23S, Range, 27E, Eddy County, New Mexico. Attached as **Exhibit A** is C-102 for the well. This is a horizontal well that will be drilled as follows:

Dr. K 24-23S-27E RB #203H

- <u>Surface Hole Location in Section 23</u>: 2153 feet from the South line and 330 feet from the East line of Section 23;
- <u>First Perforation Point in Section 24</u>: 2310 feet from the South line and 330 feet from the West line of Section 24;
- <u>Last Perforation Point in Section 24</u>: 2310 feet from the South line and 330 feet from the East line of Section 24; and
- <u>Bottom Hole Location in Section 24</u>: 2310 feet from the South line and 240 feet from the East line of Section 24.

Matador Production Company is requesting this NSL in order to efficiently produce its interests in Section 24. This well is producing from the Forehand Ranch, Wolfcamp (Gas) pool (Pool Code 76780). There are no

Modrall Sperling Roehl Harris & Sisk P.A.

Bank of America Centre 500 Fourth Street NW Sulte 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848,1800 www.modrall.com special pool rules for this pool, and thus the setback requirements under Rule 19.15.15.10(B) of 660' apply. As a result, the completed intervals for this well are closer than 660' from the boundary of the project areas. The unorthodox location will encroach towards the N/2 of Section 24. Matador is the operator in both the N/2 and S/2 of Section 24, and owns 100% of the working interests in Section 24. The well will also encroach towards the adjoining spacing units in Section 23, Township 23 South, Range 27 East and Section 19, Township 23 South, Range 28 East. Exhibit B is list showing the surrounding ownership and the project area for the proposed Dr. K 24-23S-27E RB #203H well in relation to adjoining units.

Exhibit C is a list of the parties affected by the encroachment. Each of these parties have been provided notice of this application by certified mail, return receipt requested, advising them that if they have any objection to this well, it must be filed with the New Mexico Oil Conservation Division within 20 days of the mailing of this notice. In addition, a copy of this application has also been provided to the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

Attorney for Matador Production

Company

cc:

New Mexico State Land Office Post Office Box 1148 Santa Fe, New Mexico 87504 District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District 11
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Azec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Sante Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

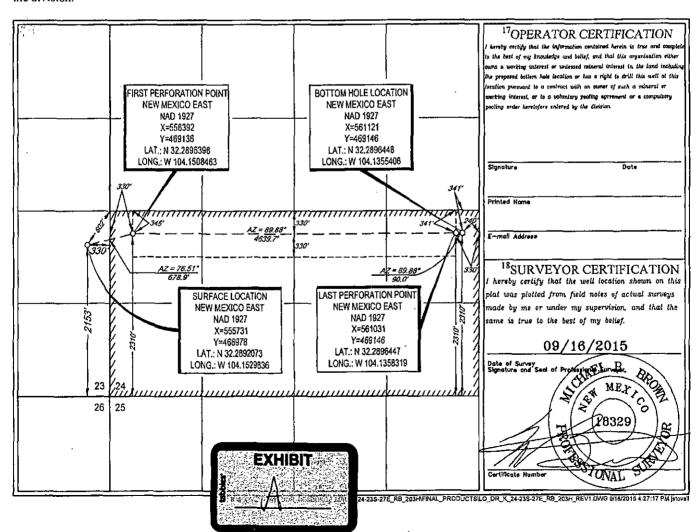
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sante Fe. NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number ⁴Property Code Property Name Well Number DR. K 24-23S-27E RB #203H OGRID No. Operator Name Elevation 3127 MATADOR PRODUCTION COMPANY ¹⁰Surface Location East/West line County Range North/South line Peet from the UL or lot no Section Township Lot Ide Feet from the 330' **EDDY** 23 23-S 27-E 2153 SOUTH EAST Ι East/West line North/South line Feet from the UL or lot no. Section Township Range Lot Idn Feet from the 240' EAST **EDDY** 24 23-S 27-E 2310' SOUTH Dedicated Acres Joint or Infill Consolidation Code Order No. 320

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.



Lands:

SW/4

Owner:

Natalie Smith Buck

P.O. Box 2183

Santa Fe, NM 78720

Lessor:

Tierra Oil Company

2631 Bulvedere Rd., Ste. 103

Bulvedere, TX 78163

And:

Yates Petroleum Company

105 S. 4th St. Artesia, NM 88210

<u>C.</u>

Section 18 Township 23S Range 28E

Current Leases:

Lands:

SW/4 NW/4

Lessor:

Pardue Limited Company

P.O. Box 2018

Carlsbad, NM 88221

Lessee:

Featherstone Development Corp.

P.O. Box 429

Roswell, NM 88202

Lands:

S/2

Lessor:

Carter Farms, LLP

1411 W. Orchard Lane

Carisbad, NM 88220

Lessee:

Chevron USA

56 Texas Camp

Lovington, NM 88260

Appears to be Open Interest:

Lands:

NE/4 NE/4, E/2 SE/4 SE/4 NE/4, W/2 SW/4 SE/4 NE/4, SE/4 SW/4 NE/4, E/2 NE/4

NW/4 NE/4, NW/4 NW/4 NE/4, E/2 SW/4 NW/4 NE/4, E/2 SW/4 NW/4 NE/4,

NW/4 SW/4 NE/4, W/2 NE/4 SW/4 NE/4, W/2 SW/4 SW/4 NE/4

Owner:

Alice B#Carter Trust A-17 Alice B#Carter Trustee!

1411 Orchard Land Carlsbad, NM 88220

Lands:

NW/4 NW/4, SE/4 NW/4, S/2 NE/4 NW/4, W/2 NE/4 NE/4 NW/4, NW/4 NE/4

NW/4

Owner:

¹Candalario Carrasco;"Jr.53

P.O. Box 26

Loving, NM 88256

Lands:

W/2 SE/4 NW/4 NW/4

Owner:

Lois Mae Beesing

2408 Marshall Drive Edmond, OK 73034

Lands: W/2 NE/4 NW/4 NE/4, E/2 SE/4 NW/4 NE/4

Owner: KRE Gary Thompson

P.Q. Box 653

Carlsbad, NM 88220

Lands: W/2 SW/4 NW/4 NE/4

Owner: Phyllistlean Peal

613 County Hill Drive St. Louis, MO 63115

⇒Duane Housover 3836 Azure Lane Addison, TX 75001

Lands: W/2 SE/4 SE/4 NE/4

Owner: #John Lee Black!

P.O. Box 331

Crosswell, TX 78227

Lands: E/2 NW/4 SE/4 NE/4

Owner: Richard W. Linck *

1762 Morgan Road Long Lake, MI 55356

Lands: E/2 NE/4 NE/4 NW4, W/2 NE/4 NW/4 NE/4, E/2 SE/4 NW/4 NE/4

Owner: Pölk Länd and Minerals LP.

1101 Butternut Abilene, TX 79602

Lands: E/2 NE/4 NE/4 NW4, W/2 NE/4 NW/4 NE/4, E/2 SE/4 NW/4 NE/4

Owner: Ruth Ann Polk Caudle 취

15250 Prestonwood Blvd. Ste. 441

Dallas, TX 75248

Lands: E/2 NE/4 NE/4 NW4, W/2 NE/4 NW/4 NE/4, E/2 SE/4 NW/4 NE/4

Owner: Vanice Polk Harbour;

4400 Arcady Dallas, TX 75205

Lands: E/2 SW/4 SW/4 NE/4
Owner: Edmund T: Anderson IIV

P.O. Box 8575 Midland, TX 79705

Lands: SW/4 NW/4, E/2 NE/4 SW/4 NE/4, W/2 NW/4 SE/4 NE4, NE/4 SE/4 NE/4, E/2

SW/4 SE/4 NE/4

Owner: Leslie D. Guitar

P.O. Box 1460 Stafford, TX 77477

<u>D.</u>

Section 23, Township 235 Range 27E

Current Leases:

Lands:

NW/4

Lessor:

Wilma E. Voight

1103 N. Shore Dr. Carlsbad, NM 88220

Lessee:

COG Operating, LLC# 2208 W. Main St. Artesia, NM 88210

And:

Chase Oil Corp

11352 Lovington Hwy.

Artesia, NM 88210

And:

Mack Energy Corp €

P.O. Box 960

Artesia, NM 88210

And:

Featherstone Development Corp.

P.O. Box 429

Roswell, NM 88216

Lands:

N/2 SE/4

Lessor:

Juanita Lancaster 132 Copperfield Lane

Georgetown, KY 40324

Lessee:

COG Operating, LLC 2208 W. Main St.

Artesia, NM 88210

Artesia, Mivi ooz

And:

And:

Chase Oil Corp.

11352 Lovington Hwy. Artesia, NM 88210

Mack Energy Corp.

P.O. Box 960

Artesia, NM 88210

Lands:

S/2 SE/4, S/2 NE/4, NW/4 NE/4

Lessor:

Gumesinda Carrasco Onsurez Trust, Antonio Onsurez, Trustee

P.O. Box 598

Loving, NM 88256

Lessee:

COG Operating, LLC 2208 W. Main St.

Artesia, NM 88210

And:

Chase Oil Corp.

11352 Lovington Hwy. Artesia, NM 88210

And:

Mack Energy Corp. P.O. Box 960

Artesia, NM 88210

Lands: Lessor: S/2 NE/4 NE/4 Martin C. Holguin

6616 Commercial Ave.

Portland, OR 97217

Lessee:

Xplor Resources, LLC 🥶

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1104 N. Shore Dr. Carlsbad, NM 88220

Lands:

1.00 acre out of the NE corner of the NE/4 NE/4

Lessor:

Jerry D. Rose 8400 Porter Road Carlsbad, NM

Lessee:

New River Mineral Holdings, LLC

1203 Country Club Drive Carlsbad, NM 88220

Lands:

SW/4

Lessor:

Michael D. Price 5450 Governor Cir.

Stockton, CA 95210

Lessee:

Featherstone Development Corp.

P.O. Box 429 Roswell, NM 88202

Appears to be Open Interest:

Lands:

N/2 NE/4 NE/4 Less and Except 1 acre from NE corner

Owner:

Ærank N. Carrasco ≱

2405 Utah St.

Carlsbad, NM 88220

<u>E.</u>

Section 19, Township 23S Range 28E

Current Leases:

Lands:

Lots 1,2,3 & 4, E2 W2

Lessor:

T.J. Kimbley

P.O. Box 186

Loving, NM 88256

Lessee:

#Read and Stevens, Inc.

P.O. Box 1518 Roswell, NM 88202

Lands:

W2

Lessor:

Mary Beth Guitar

P.O. Box 2283 Big Springs, TX

Lessee:

Legacy Reserves Operating, LR₽

303 W. Wall, Ste. 1400 Midland, TX 79701

Lands:

NE4 SE4

Lessor:

Mildred Lakey 11426 Hanover Ct.

Cerritos, CA 90703

Lessee:

'Nadel'& Gussman Permian, LLC!

601 Mansfield, Ste. 508 Midland, TX 79701

Lands:

NE4, S2 SE4 and NW4SE4

Lessor:

Billy Don Powers 9208 Kimberly Rd.

Oklahoma City, OK 73132

Lessee:

Nadel & Gussman Permian, LLC

601 Mansfield, Ste. 508 Midland, TX 79701

<u>F.</u>

Section 26 Township 23S Range 27E

Current Leases:

Lands:

Section 26

Lessor:

USA/BLM

Lease # NM-200610-020 301 Dinosaur Trail

Santa Fe, NM 87508

Lessee:

Chevron USA, Inc.

P.O. Box 2100

Houston, TX 77252

G.

Section 25 Township 23S Range 27E

Current Leases:

Lands:

N/2, E/2 SW/4

Lessor:

Lynda Pratt Rast

P.O. Box 190766 Dallas, TX 75219

Lessee:

MRC Permian Company

5400 Lyndon B. Johnson Fwy., #1500

Dallas, TX 75240

And:

Chase Oil Corporation

11352 Lavington Hwy.

Artesia, NM 88210

And:

Ventana Minerals : €

P.O. Box 359

Artesia, 88211

And:

रDiakan Minerals र्डे

P.O. Box 693

Artesia, NM 88211

And:

Yates Petroleum Corporation

105 S. 4th St.

Artesia, NM 88210

And:

ABO Petroleum Corporation

105 S. 4th St.

Artesia, NM 88210

	Dr. K, Se	ction 24, T23	S, R27E	<u> </u>
10	11	12	7	2
15	14 A	13 B	18 C	17
22	23 D 238 27E	24	19 E	20
27	26 F	25 G	30 H	29
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LAWYERS

EXHIBIT C:

List of Affected Persons for the Application of Matador Production Company for administrative approval of unorthodox well location for its Dr. K 24-23S-27E RB #203H well located in the S/2 of Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Jennifer L. Bradfute 505,848.1845 Fax: 505.848.1882 jlb@modrall.com

COG Operating, LLC One Concho Center 600 W. Illinois, Ave. Midland, TX 79701

Chase Oil Corp. 11352 Lovington Hwy. Artesia, NM 88210

Mack Energy Corp. P.O. Box 960 Artesia, NM 88211

Xplor Resources, LLC 1104 N. Shore Dr. Carlsbad, NM 88220

New River Mineral Holdings, LLC 1203 Country Club Drive Carlsbad, NM 88220

Featherstone Development Corp. P.O. Box 429 Roswell, NM 88202

Frank N. Carrasco 2405 Utah St. Carlsbad, NM 88220

Read and Stevens, Inc. P.O. Box 1518 Roswell, NM 88202

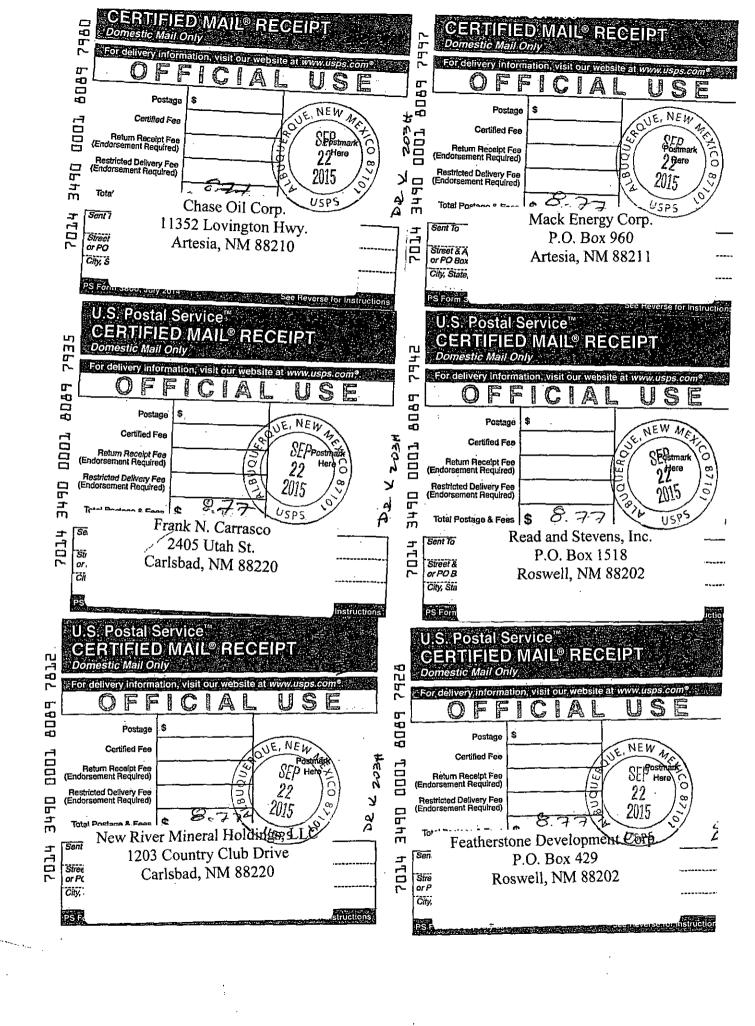
Modrall Sperling Roehl Harris & Sisk P.A.

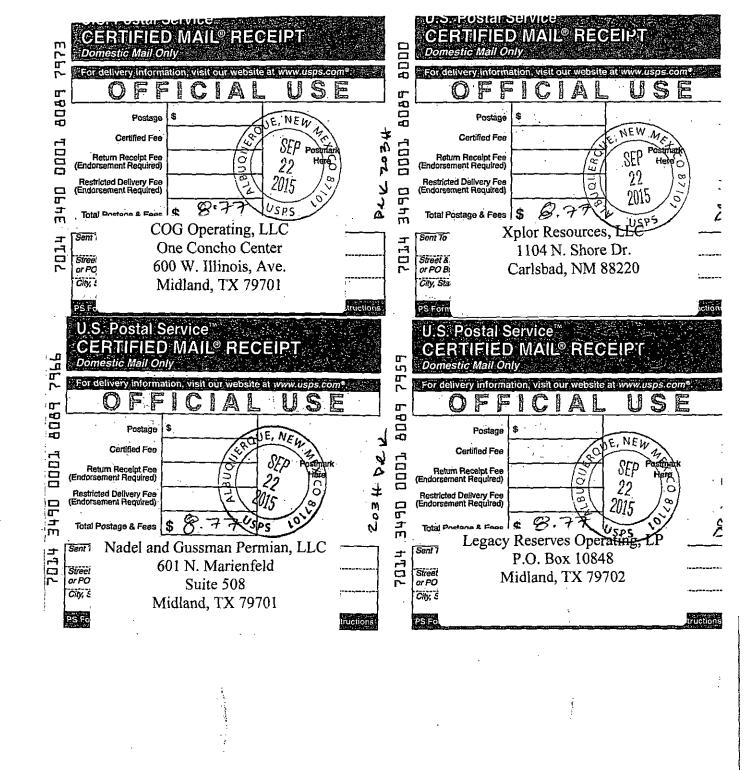
Bank of America Centre 500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com Legacy Reserves Operating, LP P.O. Box 10848 Midland, TX 79702

Nadel and Gussman Permian, LLC 601 N. Marienfeld Suite 508 Midland, TX 79701





Frank N. Carrasco hereby waives objection to the above referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Dated: Frank Carrosco.

Signature

referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Signature Cheri Featherstone III, President

XPLOR RESOURCES, LLC hereby waives objection to the above referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Dated: 9-22-2015

MIKE HYDEN,

MEMBER

Signature

hereby waives objection to the above referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Dated:

Signature

TRAVISIK. LANNING ATTORNEY IN FACT CHASE OIL CORPORATION

referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy

County, New Mexico.

Dated:

Signature

TRAVIS K. LANNING ATTORNEY IN FACT MACK ENERGY CORPORATION

New River Mineral Holdings, LLC hereby waives objection to the above referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Dated:

22 Sept. 15

Signature

Dated:

Sionature

Read & Stevens, Inc. hereby waives objection to the above referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Dated: 300 Of Sten Zor

Signature

President

Read & Stevens, Inc. hereby waives objection to the above referenced Application for Unorthodox Locations for the Dr. K 24-23S-27E. RB #203H well and the Dr. K 24-23S-27E RB #206H, which will both be located Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Signature President