7/2 DATE IN	2/2-015 SUSPEN	SE ENGINEER 9/22/2015 NSL PMAM1526551944
al the	Aprilia ise	NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505
Ĩ	w	ADMINISTRATIVE APPLICATION CHECKLIST
W T	HIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
A p pii	[DHC-Dow [PC-Po	s: ndard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] nhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] ol Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] Ilfied Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF AF [A]	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD - ~SL - ~A+-dor Pnoduction 22853
	Check [B]	One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM - $Dn K 24-23s$ - Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR $30-015-e^{43}$
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
	[D]	Other: Specify Pod
[2]	NOTIFICAT [A]	ON REQUIRED TO: - Check Those Which Apply, or □ Does Not Apply Working, Royalty or Overriding Royalty Interest Owners
	[B]	\boxtimes Offset Operators, Leaseholders or Surface Owner $(G - s)$
	[C]	 ✓ Offset Operators, Leaseholders or Surface Owner ✓ Application is One Which Requires Published Legal Notice ✓ 767 €
	[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E]	For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	Waivers are Attached
[3]		CURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE TION INDICATED ABOVE.
	val is accurate a	TION: I hereby certify that the information submitted with this application for administrative and complete to the best of my knowledge. I also understand that no action will be taken on this quired information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jennifer Bradfute	- Pry Ft	Attorney	9/22/2015
Print or Type Name	Signature D°	Title	Date
	*	ilb@modrall.com	•
		e-mail Address	

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Modrall Sperling

LAWYERS

September 22, 2015

Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 Jib@modrail.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 #206H well located in the N/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 #206H well (API number pending) to be completed within the Forehand Ranch, Wolfcamp (Gas) pool (Pool Code 76780) underlying the N/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 #206H

- <u>Surface Hole Location in Section 23</u>: 2183 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 North line and 330 feet from the West line of Section 24;
- <u>Last Perforation Point in Section 24</u>: 2310 feet from the North line and 330 feet from the East line of Section 24; and
- <u>Bottom Hole Location in Section 24</u>: 2310 feet from the North 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 Modrail Speriing 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.modrail.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 S/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 #206H 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,

Jennifer L. Bradfute

Attorney for Matador Production Company

cc: New Mexico State Land Office Post Office Box 1148 Santa Fe, New Mexico 87504

Page 2

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, 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 J, 2011 Submit one copy to appropriate District Office

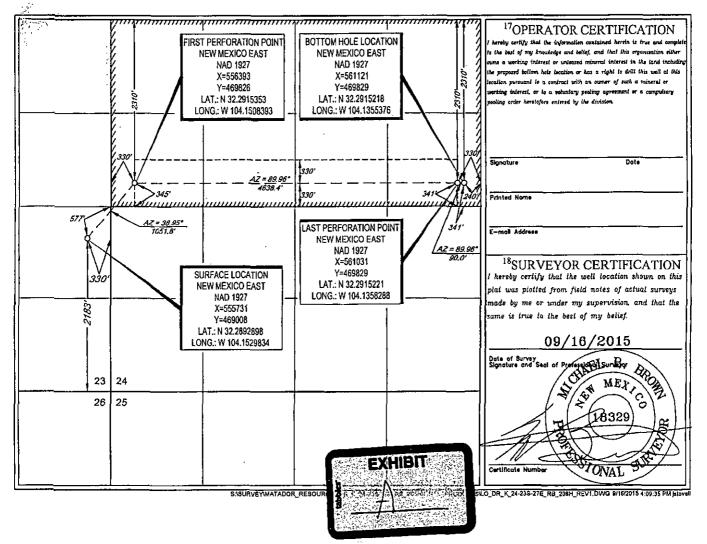
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code ¹Pool Name Well Number Property Code ⁵Property Name DR. K 24-23S-27E RB #206H OGRID No. ⁸Operator Name ⁹Elevation MATADOR PRODUCTION COMPANY 3126' ¹⁰Surface Location Conner

		<u> </u>					L		l	L
I	23	23-S	27-E	- 1	2183'	SOUTH	330'	EAST	EDDY	l
	Section	Township	Kange	Lot Idn	Fect from the	North/South une	reet from the	ERSU WEST HIDE	County	1

UL or lot no. H	Section 24	Township 23–S	Range 27–E	Lot Idn 	Feet from the 2310'	North/South line NORTH	Feet from the 240'	East/West line EAST	EDDY
¹² Dedicated Acres 320	¹³ Joint or 1	nfill ^{[4} Co	nsolidation Cod	ie ¹³ Orde	r No.				

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.



<u>D.</u>

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Section 23, Township 23S Range 27E

Lands:	NW/4	
Lessor:	Wilma E. Voight	
	1103 N. Shore Dr.	
	Carlsbad, NM 88220	
Lessee:	COG Operating, LLCE	
	2208 W. Main St.	
	Artesia, NM 88210	
And:	Chase Oil Corp.4	
	11352 Lovington Hwy.	
	Artesia, NM 88210	
And:	《Mack Energy Corp.即	
	P.O. Box 960	
	Artesia, NM 88210	
And:	Featherstone Development Corp.	
	P.O. Box 429	
	Roswell, NM 88216	
	4	
Lands:	N/2 SE/4	
Lessor:	Juanita Lancaster	
LE3301.	132 Copperfield Lane	
	Georgetown, KY 40324	
Lessee:	COG Operating, LLC	
LESSEE.	2208 W. Main St.	
A	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:	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:	S/2 NE/4 NE/4	
Lessor:	Martin C. Holguin	
	6616 Commercial Ave.	
	Portland, OR 97217	
Lessee:	Xplor.Resources, LLC 🐲	

1104 N. Shore Dr. Carlsbad, NM 88220 . 1.00 acre out of the NE corner of the NE/4 NE/4 Lands: Lessor: Jerry D. Rose 8400 Porter Road Carlsbad, NM New River Mineral Holdings, LLC 3 Lessee: 1203 Country Club Drive Carlsbad, NM 88220 Lands: SW/4 Michael D. Price Lessor: 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:	Frank N: Carrasco 🕄			
	2405 Utah St.			
	Carlsbad, NM 88220			

<u>E.</u>

Section 19, Township 23S Range 28E

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, LPP
	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				

Section 26

USA/BLM

P.O. Box 2100

<u>F.</u>

Section 26 Township 23S Range 27E

Current Leases:

Lands: Lessor: . Lessee:

Lease # NM-200610-020 301 Dinosaur Trail Santa Fe, NM 87508 Chevron USA, Inc. Houston, TX 77252

<u>G.</u>

Section 25 Township 23S Range 27E

I	Lands:	N/2, E/2 5W/4	
	Lessor:	Lynda Pratt Rast	
		P.O. Box 190766	
		Dailas, TX 75219	
ł	Lessee:	MRC Permian Company	
		5400 Lyndon B. Johnson Fwy., #1500	\sim /
		Dallas, TX 75240	
1	And;	Chase Oil Corporation	Ň
		11352 Lovington Hwy	/ \
		Artesia, NM 88210	. /
1	And:	Ventana Minerals 🕯	/
		P.O. Box 359	
		Artesia, 88211	/
1	And:	§Diakan Minerāls 種	/
		P.O. Box 693	ł
		Artesia, NM 88211	
1	And:	Yates Petroleum Corporation	
		105 S. 4 th St.	
		Artesia, NM 88210	
	And:	ABO Petroleum Corporation	
		105 S. 4 th St.	
		Artesia, NM 88210	

Lands:	N/2, E/2 SW/4
Owner:	Williamson Enterprises®
	P.O. Box 2206
	Roswell, NM 8821
Lands:	N/2 SE/4
Owner:	Ross Duncan Properties, LLC
	1102 W. Main
	Artesia, NM 88210
Lands:	N/2 SE/4
Owner:	*Xplor, Resources, LLC
	1104 N. Shore Dr.
	Carlsbad, NM 88220
Lands:	N/2 SE/4
Owner:	🏽 Big Three Energy Group, LLC 🥨
	1803 W. 2 nd St.
	Roswell, NM 88201
Lands:	N/2 SE/4
Owner:	Watts Properties, LLC 🚬 🔹
	P.O. Box 2367
	Roswell, NM 88202

<u>H.</u>

Section 30 Township 23S Range 28E

	× /·	
Lands:	W/2 NW/4	
Lessor:	Holly Chadwick /	
	1446 Mohican Tr.	
	St. Charles, MO 63304	
Lessee:	MRC Permian Company	
	5400 Lyndon B. Johnson Fwy., #1500	
	Dallas, TX 75240	
Lands:	NW/4 SW/4, NE/4 SW/4, W/2 NW/4 NE/4 NW/4, E/2 SW/4 \$E/4 NW/4 , E/2 E/	/2
	SE/4 NW/4, NW/4 SE/4 NW/4, W/2 SE/4 SE/4 NW/4, SW/4⁄ NE/4 NW/4	
Lessor:	Pardue Limited Company	
	P.O. Box 2018	
	Carlsbad, NM 88221	
Lessee:	Featherstone Development Corporation	
	P.O. Box 429	
	Roswell, NM 88202	
Lands:	E/2 NW/4 NE/4 NW/4	
Lessor:	Dog Tired Investments, LLC	
	1118 Breckenridge Dr.	
	Midland, TX 79705	
Lessee:	MRC Permian Company	
	5400 Lyndon B. Johnson Fwy., #1500	
	Dallas, TX 75240	

Lands:	E/2 NE/4 NW/4, W/2 NE/4 SE/4 NW/4	
Lessor:	New Mexico Western Minerals, Inc.	
	P.O. Box 1738	
	Roswell, NM 88202	
Lessee:	BIC: Operating, Inc.	
	303 Veterans Airpark, Ste. 6100	
	Midland, TX 79705	
Lands:	S/2 SW/4	
Lessor:	Pardue Limited Company	
	P.O. Box 2018	
	Carlsbad, NM 88221	
Lessee:	Featherstone Development Company	
	P.O. Box 429	
	Roswell, NM 88202	
And:	MRC Permian Company	
	5400 Lyndon B. Johnson Fwy., #1500	$\langle \rangle$
	Dallas, TX 75240	\setminus /
Lands:	E/2	\setminus /
Lessor:	Diane Lakey Webster	X
E633017	2214 Panther Pl.	/
	North Las Vegas, NV 89031	
Lessee:	Nadel & Gussman Permian, LLC	
cessee.	601 Mansfield, Ste. 508	
	Midland, TX 79701	
	Midland, IX 79701	/ \
rs to be Opei	n Interest.	
	IF ILING TOL.	1

Appear

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Lands: Owner:	S/2 SW/4 Estate of Robert Eugene Lee 5 608 Flint Ridge Trail SE Albuquerque, NM 87123
Lands:	W/2 SW/4 SE/4 NW/4
Owner:	Unknown Heirs of Franklin W. Owen
	144 NW Vicksburg Ave.
	Bend, OR 97701
Lands:	W/2 SW/4 SE/4 NW/4
Owner:	Unknown Heirs of Mary Kathryn Owen Johnson 🔅
	87 Clavela Ave.
	Sacramento, CA 95828

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22 23 D N 24 19 E	23 3 28E	20
27 26 F 25 G 30 H	L.	29
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EXHIBIT C:

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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 #206H well located in the N/2 of Section 24, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

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

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Read and Stevens, Inc. P.O. Box 1518 Roswell, NM 88202 Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 jlb@modrall.com

Modrall Sperling Roehl Harris & Sisk P.A.

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

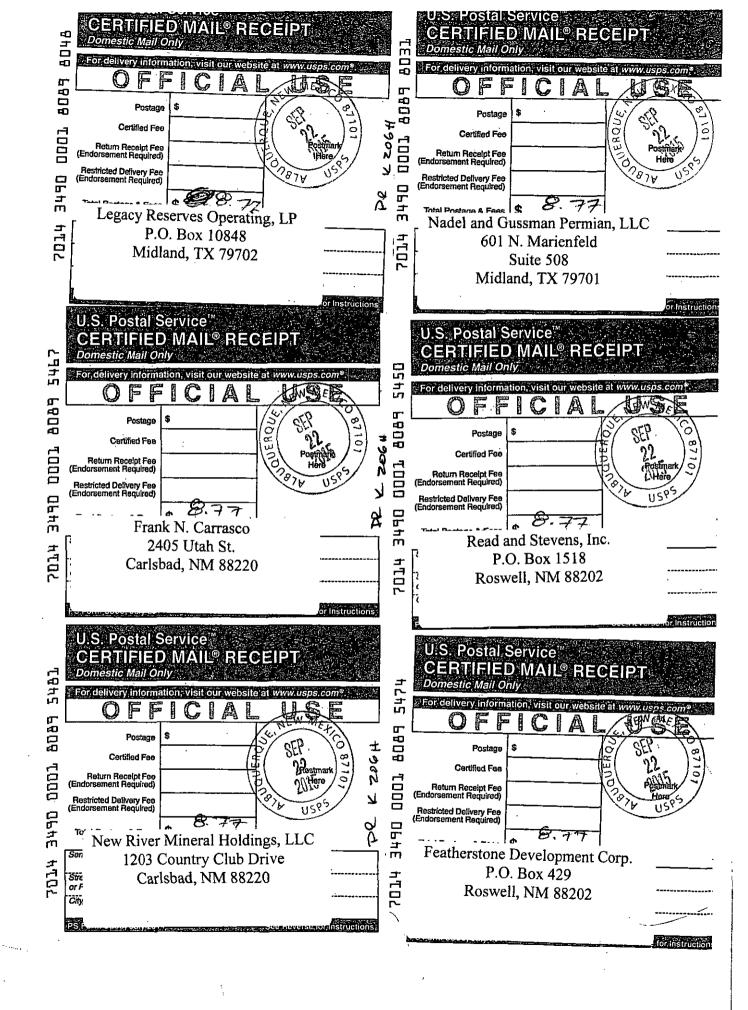
PO Box 2168 Albuquerque, New Mexico 87103-2168

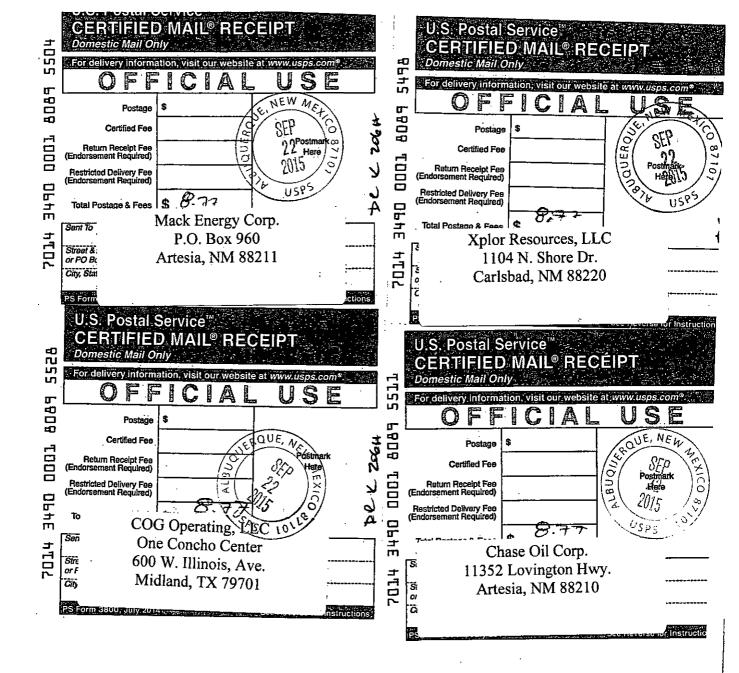
Tel: 505.848.1800 www.modrall.com

. . . .

Legacy Reserves Operating, LP P.O. Box 10848 Midland, TX 79702

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





WAIVER

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: Thank Carroson

<u>|0 | 8 | 15</u> Signature ____

WAIVER

CONTRECTOR Nerver Warves 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: ί, Signature Olen Featherstone II, President

Page 2

WAIVER

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

Signature

MIKE DEN. MEMBER

<u>WAIVER</u>

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 CHASE OIL CORPORATION

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WAIVER

<u>Mark En ray</u>, <u>Leaperaoctor</u> 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 TRAVIS K, LANNING ATTORNEY IN FACT MACK ENERGY CORPORATION

WAIVER

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

Dated: 9/22/15

Signature Signature

<u>WAIVER</u>

<u>*Read #Stevens. Inc.*</u> 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: 3001 Jun 2015

Signature President