

DATE IN 6/10/16	SUSPENSE	ENGINEER LRL	LOGGED IN 6/13/16	TYPE NSL	PLEL APP NO 1616558976
-----------------	----------	--------------	-------------------	----------	------------------------

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] [SD-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-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

NSL- 7430

- [1] TYPE OF APPLICATION - Check Those Which Apply for [A] MATADOR Prod. Co. [#228937]
[A] Location - Spacing Unit - Simultaneous Dedication WELL: DR. SCRIVNER FEDERAL
☒ NSL ☐ NSP ☐ SD 01-245-28 E RB# 228H
Check One Only for [B] or [C] POOL: PIERCE CROSSING; WOLFCAMP NW
[B] Commingling - Storage - Measurement ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM [# 96712] (GAS)
[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR API: 30-015-43824
[D] Other: Specify _____
- [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply
[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☒ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] 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.

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

Zoe E. Lees		Attorney	6/10/2016
Print or Type Name	Signature	Title	Date
		Zoe.lees@modrall.com	
		c-mail Address	



MODRALL SPERLING

LAWYERS

June 10, 2016

Zoe E. Lees
505.848.1859
Fax: 505.848.9710
zele@modrall.com

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

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Dr. Scrivner Federal 01-24S-28E RB #228H well located in the S/2 of Section 1, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico (the "Well").

Déar Mr. Catanach:

Matador Production Company (OGRID No. 228937) seeks administrative approval of an unorthodox well location ("NSL") for its Dr. Scrivner Federal 01-24S-28E RB #228H well (API No. forthcoming) to be completed within the Pierce Crossing; Wolfcamp NW (Gas) pool (Pool Code 96712) underlying the S/2 of Section 1, Township 24S, Range 28E, N.M.P.M., Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal Well that will be drilled as follows:

Dr Scrivner Federal 01-24S-28E RB #228H

- Surface Hole Location: 601 feet from the South line and 662 feet from the East line of Section 1, Township 24 South, Range 28 East;
- First Perforation Point: 330 feet from the South line and 330 feet from the East line of Section 1, Township 24 South, Range 28 East ;
- Last Perforation Point: 330 feet from the South line and 330 feet from the West line of Section 1, Township 24 South, Range 28 East ; and
- Bottom Hole Location: 330 feet from the South line and 240 feet from the West line of Section 1, Township 24 South, Range 28 East .

Matador Production Company is requesting this NSL in order to efficiently produce its interests in Section 1. This Well will produce from the Pierce Crossing; Wolfcamp NW (Gas) pool (Pool Code 96712). There are no special pool rules for this pool, and thus the setback requirements under Rule

Modrall Sperling
Rochl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

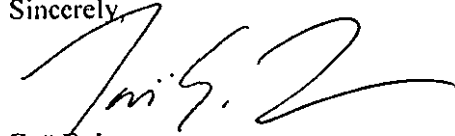
Tel: 505.848.1800
www.modrall.com

19.15.15.10(B) of 660' apply. The completed interval for the proposed Well is closer than 660' from the boundary of the project area. The unorthodox location will encroach towards the S/2 and NE/4 of Section 2, Township 24 South, Range 28 East, the N/2 and SE/4 of Section 11, Section 12, the N/2 and SW/4 of Section 7, Township 24 South, Range 29 East, the S/2 and NW/4 of Section 6, Township 24 South, Range 29 East. A list showing the surrounding ownership and the project area for the proposed well in relation to adjoining spacing units is attached as Exhibit B.

A list of the parties affected by the encroachment is attached as **Exhibit C**. Each of these parties has been provided notice of this application by certified mail, return receipt requested, advising them that if they have an objection to the location of 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,

A handwritten signature in black ink, appearing to read 'Zoë E. Lees', written over a horizontal line.

Zoë E. Lees

*Attorney for Matador Production
Company*

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

District I
1625 N. Freach Dr., Hobbs, NM 88240
Phone: (575) 393-6151 Fax: (575) 393-0720
District II
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) 334-6173 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa 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.
Santa Fe, NM 87505

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

☐ AMENDED REPORT
*Wolfcamp B
is the goal

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43824	² Pool Code 96712	³ Pool Name WC; Wolfcamp* Pierce Crossings; WC, Northwest
⁴ Property Code 316324	⁵ Property Name DR. SCRIVNER FEDERAL 01-24S-28E RB	⁶ Well Number #228H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 2983'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	1	24-S	28-E	-	601'	SOUTH	662'	EAST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	1	24-S	28-E	-	330'	SOUTH	240'	WEST	EDDY

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No. NSL-
--------------------------------------	-------------------------------	---------------------------------------	---------------------------------

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.

<p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=588131 Y=451302 LAT.: N 32.2404246 LONG.: W 104.0482900 NAD 1983 X=629314 Y=451361 LAT.: N 32.24054634 LONG.: W 104.0487818</p>	<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=592893 Y=451324 LAT.: N 32.2404483 LONG.: W 104.0328858 NAD 1983 X=634077 Y=451382 LAT.: N 32.24057025 LONG.: W 104.033377</p>	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or substantial mineral interest in the land including the proposed bottom hole location or has a right to drill that well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brian Wood</i> Signature Date 1-21-16 Printed Name brian@permitswest.com E-mail Address</p>
<p>LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=588221 Y=451302 LAT.: N 32.2404251 LONG.: W 104.0479989 NAD 1983 X=629404 Y=451361 LAT.: N 32.24054681 LONG.: W 104.0484907</p>	<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=592560 Y=451593 LAT.: N 32.2411921 LONG.: W 104.0339607 NAD 1983 X=633744 Y=451652 LAT.: N 32.24131406 LONG.: W 104.034452 ELEV = 2983'</p>	<p>¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>11/19/2015 Date of Survey Signature and Seal of Professional Surveyor MICHAEL B. BROWN NEW MEXICO 18329 PROFESSIONAL SURVEYOR Certificate Number</p>

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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., Santa 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.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

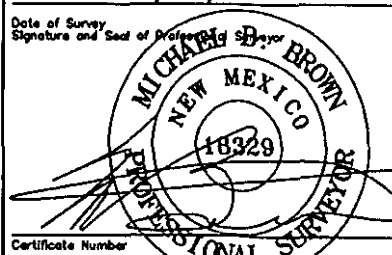
WELL LOCATION AND ACREAGE DEDICATION PLAT

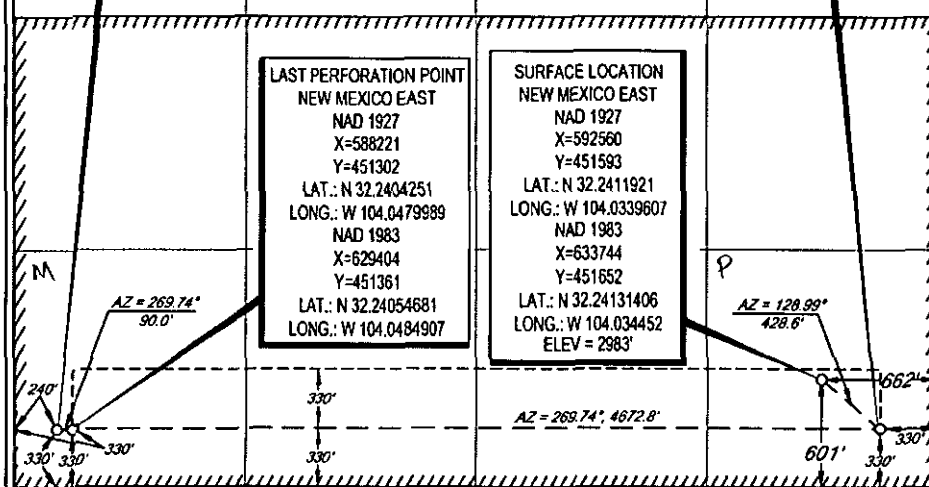
¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name DR. SCRIVNER FEDERAL 01-24S-28E RB	⁶ Well Number #228H
⁷ GRID No.	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 2983'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	1	24-S	28-E	-	601'	SOUTH	662'	EAST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	1	24-S	28-E	-	330'	SOUTH	240'	WEST	EDDY
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order 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.

<p>14</p> <p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=588131 Y=451302 LAT.: N 32.2404246 LONG.: W 104.0482900 NAD 1983 X=629314 Y=451361 LAT.: N 32.24054634 LONG.: W 104.0487818</p>		<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=592893 Y=451324 LAT.: N 32.2404483 LONG.: W 104.0328858 NAD 1983 X=634077 Y=451382 LAT.: N 32.24057025 LONG.: W 104.033377</p>		<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Exhibit A</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p>LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=588221 Y=451302 LAT.: N 32.2404251 LONG.: W 104.0479989 NAD 1983 X=629404 Y=451361 LAT.: N 32.24054681 LONG.: W 104.0484907</p>		<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=592560 Y=451593 LAT.: N 32.2411921 LONG.: W 104.0339607 NAD 1983 X=633744 Y=451652 LAT.: N 32.24131406 LONG.: W 104.034452 ELEV = 2983'</p>		<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>11/19/2015</p> <p>Date of Survey Signature and Seal of Professional Surveyor </p> <p>Certificate Number _____</p>	



Midland Map 1-24S-28E

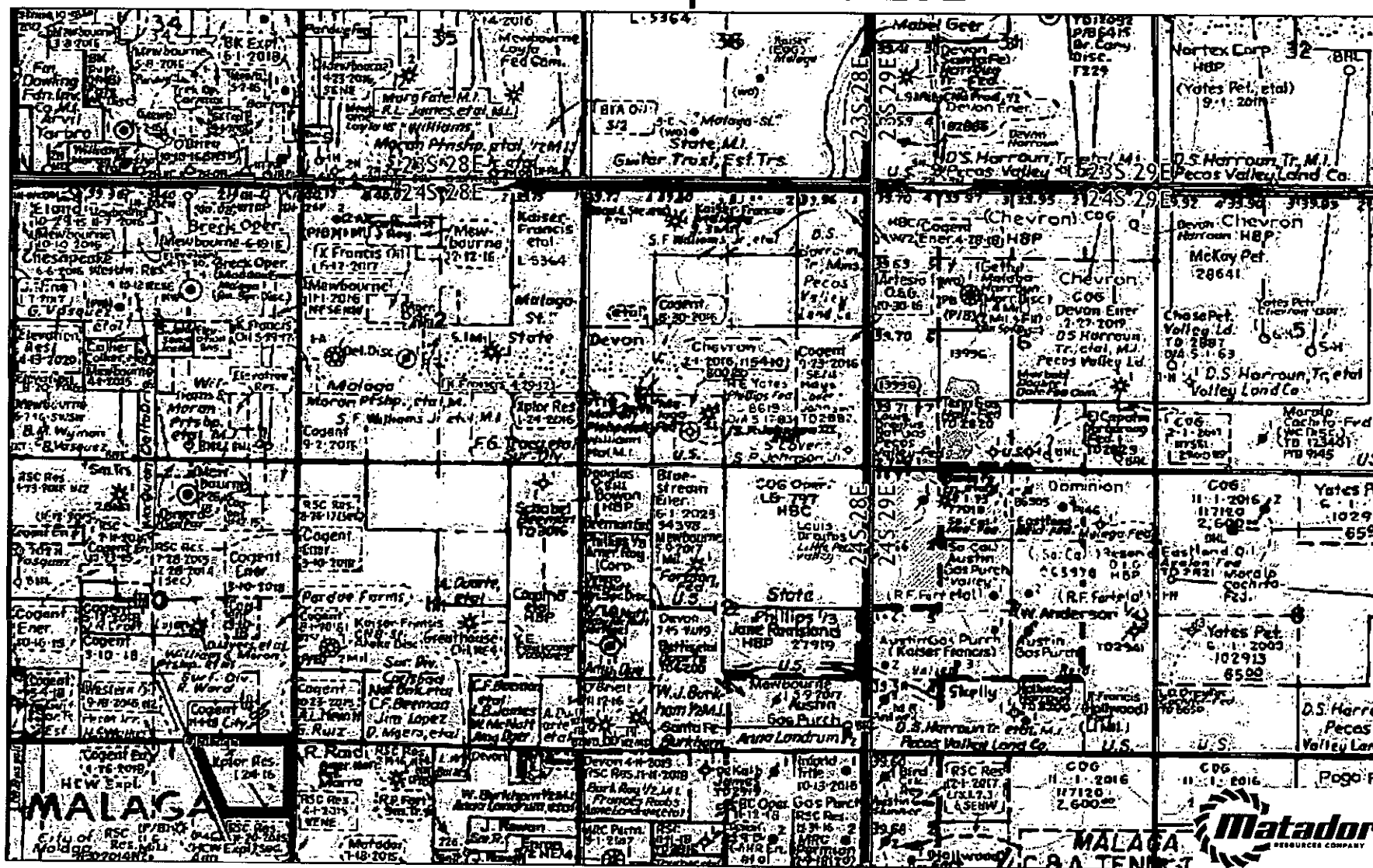


Exhibit B

Author: Matador Production Company

Date: 6/9/2016

EXHIBIT C

NE/4, S/2 Section 2 Township 24S, Range 28E

Kaiser Francis Oil Company
PO Box 21468
Tulsa, OK 74121

Chevron
1400 Smith
Houston, TX 770027

NW/4, S/2 Section 6 Township 24S, Range 29E

Devon Energy Production
333 West Sheridan Avenue
Oklahoma City, OK 73102

N/2, SW/4 Section 7 Township 24S, Range 29E

Dominion OK. TX. Exploration
14000 Quail Springs Pkwy Suite 600
Oklahoma City, OK 73134

Magnum Hunter
3500 William D. Tate Avenue Suite 200
Grapevine, TX 76051

Kaiser Francis Oil Company
PO Box 21468
Tulsa, OK 74121

Section 12 Township 24S, Range 28E

Mewbourne Oil Company
3901 S. Broadway Ave.
Tyler, TX 75701

N/2, SE/4 Section 11

COG Production, LLC
400 North Marienfeld St., Ste. 200
Midland, TX 79701



MODRALL SPERLING
LAWYERS

June 10, 2016

VIA CERTIFIED MAIL

RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Dr. Scrivner Federal 01-24S-28E RB #228H well located in the S/2 of Section 1, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

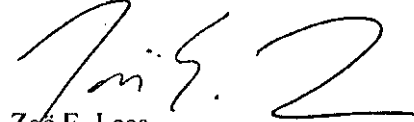
Enclosed in the notice is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application may be administratively approved by the Division.

If you have any questions concerning this application, please contact:

Chris Carleton
Matador Production Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240
Phone: 972-371-5430

If you have no objection to this application, please sign the waiver as indicated below and return the original. Your assistance and cooperation in this matter are appreciated.

Sincerely,


Zoë E. Lees
Attorney for Matador Production Company

Modrall Sperling
Roehl Harris & Sisk P.A.
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

WAIVER

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Dr. Scrivner Federal 01-24S-28E RB #228H well, underlying the S/2 of Section 1, Township 24 South, Range 28 East, Eddy County, New Mexico.

Dated: _____
Signature

MATADOR APPLICATION NOTICE
DR. SCRIVNER FEDERAL 01-24S-28E RB #228H
MAILED: JUNE 10, 2016

PARTIES	CERTIFIED RECEIPT NO.
NE/4, S/2 Section 2 Township 24S, Range 28E	
Chevron 1111 Bagby Street Houston, TX 77002	7015-1520-0002-9720-0135
Kaiser Francis Oil Company P.O. Box 21468 Tulsa, OK 74121	7015-1520-0002-9720-0128
NW/4, S/2 Section 6 Township 24S, Range 29E	
Devon Energy Production 333 West Sheridan Avenue Oklahoma City, OK 73102	7015-1520-0002-9720-0111
N/2, SW/4 Section 7 Township 24S, Range 29E	
Dominion OK. TX. Exploration 14000 Quail Springs Pkwy, Suite 600 Oklahoma City, OK 73134	7015-1520-0002-9720-0104
Kaiser Francis Oil Company P.O. Box 21468 Tulsa, OK 74121	7015-1520-0002-9720-0128
Magnum Hunter 3500 William D. Tate Avenue Suite 200 Grapeville, TX 76051	7015-1520-0002-9720-0098
Section 12 Township 24S, Range 28E	
Mewbourne Oil Company 3901 S. Broadway Avenue Tyler, TX 75701	7015-1520-0002-9720-0081
N/2, SE/4 Section 11	
COG Production, LLC 400 North Marienfeld St., Suite 200 Midland, TX 79701	7015-1520-0002-9720-0074

Lowe, Leonard, EMNRD

From: Zoe Lees <zel@modrall.com>
Sent: Friday, June 10, 2016 2:52 PM
To: Lowe, Leonard, EMNRD
Cc: Jennifer L. Bradfute
Subject: Dr. Scrivner Federal #228
Attachments: Complete Application. Dr. Scrivner #228H (W2727013).PDF

Good Afternoon Leonard,

Attached please find an NSL application for Matador Production Company's Dr. Scrivner Federal 01-24S-28E RB #228H. Please let me know if you have any questions.

Thank you,
Zoe Lees



Zoë E. Lees
Attorney at Law
Modrall Sperling | www.modrall.com
P.O. Box 2168 | Albuquerque, NM 87103-2168
500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102
D: 505.848.1859 | O: 505.848.1800 | F: 505.848.9710

Any U.S. federal tax advice contained herein (including any attachments), unless specifically stated otherwise, is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter herein.

Modrall, Sperling, Roehl, Harris & Sisk, P.A. THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL, EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW, AND PROTECTED BY THE ATTORNEY-CLIENT PRIVILEGE. If the reader of this message is not the intended recipient or agent responsible for delivering the message to the intended recipient, you are hereby notified that any review, dissemination or copying of this communication is strictly prohibited. If you have received this electronic transmission in error, please do not read it, delete it from your system without copying it, and notify the sender by reply e-mail or by calling 505.848.1800, so that our address record can be corrected. Thank you.

This email was Anti Virus checked by Astaro Security Gateway. <http://www.astaro.com>

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, June 30, 2016 4:30 PM
To: 'Zoe Lees'
Cc: Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'; 'scaffey@blm.gov'; 'rjsanche@blm.gov'; 'jstovall@blm.gov'
Subject: APPROVED: NSL-7429 (DR. Scrivner Federal 01 24S 28E RB Well No. 208H) & NSL-7430 (DR. Scrivner Federal 01 24S 28E RB Well No. 228H)

Importance: High

Ms. Zoe E. Lees

The following permits have been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/imaging/WellFileCriteria.aspx>

NSL-7429

Matador Production Company

API: 30-015-43822

WELL: DR. Scrivner Federal 01 24S 28E RB Well No. **208H**, Eddy County

NSL-7430

Matador Production Company

API: 30-015-43824

WELL: DR. Scrivner Federal 01 24S 28E RB Well No. **228H**, Eddy County

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>