

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



NSL - 7459

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]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] *Matador Prod. CO.*

[A] Location - Spacing Unit - Simultaneous Dedication *WELL: Ann Com 15-245-28E*
 NSL NSP SD *RB #221H*

Check One Only for [B] or [C] *API# 30-015-49899*

[B] Commingling - Storage - Measurement *POOL: Culebra Bluff;*
 DHC CTB PLC PC OLS OLM *Wolfcamp, South*

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery *(Gas) [# 75750]*
 WFX PMX SWD IPI EOR PPR

[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.

Jennifer L. Bradfute
 Print or Type Name

Jennifer L. Bradfute
 Signature

Attorney
 Title

8/12/2016
 Date

jlb@modrall.com
 e-mail Address



MODRALL SPERLING
LAWYERS

August 12, 2016

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

Zoë E. Lees
505.848.1859
Fax: 505.848.9710
zel@modrall.com

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Ann Com 15-24S-28E RB #221H well located in the N/2 of Section 15, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico (the "Well").

Dear Mr. Catanach:

Matador Production Company (OGRID No. 228937) seeks administrative approval of an unorthodox well location ("NSL") for its Ann Com 15-24S-28E RB #221H well (API No. forthcoming) to be completed within the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750) underlying the N/2 of Section 15, 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:

Ann Com 15-24S-28E RB #221H

- **Surface Hole Location:** 933 feet from the North line and 859 feet from the West line of Section 15, Township 24 South, Range 28 East;
- **First Perforation Point:** 331 feet from the North line and 330 feet from the West line of Section 15, Township 24 South, Range 28 East;
- **Last Perforation Point:** 331 feet from the North line and 330 feet from the East line of Section 15, Township 24 South, Range 28 East; and
- **Bottom Hole Location:** 331 feet from the North line and 240 feet from the East line of Section 15, Township 24 South, Range 28 East.

Matador Production Company is requesting this NSL in order to efficiently produce its interests in Section 15. This Well will produce from the Culebra Bluff, Wolfcamp, South (Gas) pool (Pool Code 75750). There are no special pool rules for this pool, and thus the setback requirements under Rule 19.15.15.10(B) of 660' apply. The completed interval for the

Modrall Sperling
Roehl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Abuquerque,
New Mexico 87102
PO Box 2168
Abuquerque,
New Mexico 87103-2168
Tel: 505.848.1800
www.modrall.com

David Catanach
August 12, 2016
Page 2

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 9, the S/2 of Section 10, the S/2 and NW/4 of Section 11, the N/2 and SE/4 of Section 16, and the N/2 and SW/4 of Section 14, Township 24 South, Range 28 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,



Jennifer L. Bradfute and
Zoe Lees

*Attorneys for Matador
Production Company*

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

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., 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

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name ANN COM 15-24S-28E RB			⁶ Well Number #221H
⁷ GRID No.		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3015'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	15	24-S	28-E	-	933'	NORTH	859'	WEST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	24-S	28-E	-	331'	NORTH	240'	EAST	EDDY

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

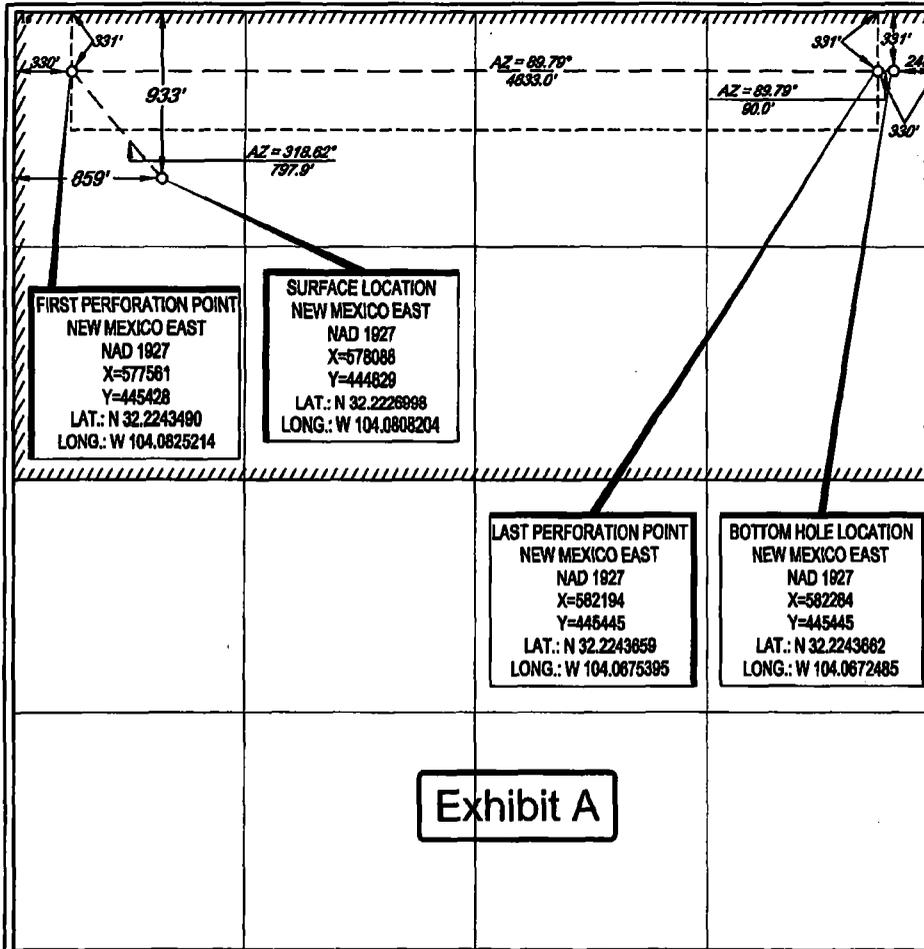


Exhibit A

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 unleased 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.

Signature _____ Date _____
Printed Name _____
E-mail Address _____

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.

05/24/2016
Date of Survey
Signature and Seal of Professional Surveyor
MICHAEL B. BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR
Certificate Number _____

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
1020 Sun Breeze Road, Aztec, NM 87410
Phone: (505) 334-4178 Fax: (505) 334-6170
District IV
1220 S St. Francis Dr., Sante Fe, NM 87505
Phone: (505) 476-1460 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 30-015-43899		Pool Code 75750	Pool Name Culebra Bluff, Wolfcamp, South (Gas)
Property Code 316766	Property Name ANN COM 15-24S-28E RB		Well Number #221H
OCRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY		Elevation 3015'

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
D	15	24-S	28-E	-	933'	NORTH	859'	WEST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	24-S	28-E	-	331'	NORTH	240'	EAST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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.

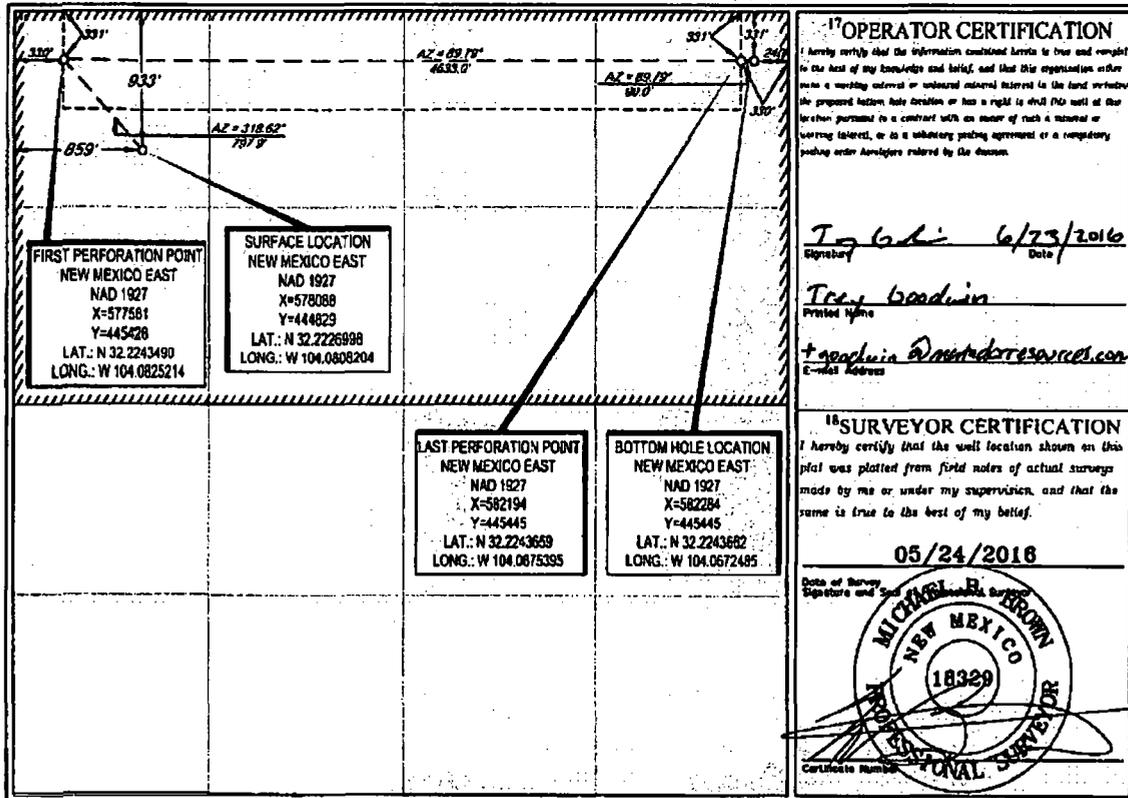


EXHIBIT C

E/2, NW/4 Sec 16, T24S, R28E ✓

COG Production, LLC (N2)
One Concho Center
600 W. Illinois, Ave.
Midland, TX 79701

OXY USA WTP LLC (S2)
P.O. Box 4294
Houston, TX 77210

S2 and NE4 Sec 9, T24S, R28E ✓

Chevron Midcontinent
Attn: Permitting Team
6301. Deauville Blvd.
Midland, TX 79706

Elevation Resources LLC
200 North Loraine Street Suite 1010
Midland, TX 79701

S2 Sec 10, T24S, R28E ✓

Cogent Energy
6824 Island Circle
Midland, TX 79707

RSC Resources
6824 Island Circle
Midland, TX 79707

Yates Petroleum Corp,
105 S. 4TH St.
Artesia, NM 88210

ABO Petroleum Corp.
P.O. Box 900
Artesia, NM 88211

Myco Industries
P.O. Box 840
Artesia, NM 88211

Estate of Frances Virginia Dowling,
Deceased
Margaret Dowling
1829 Georgia NE
Albuquerque, NM 87110

Janine Gossett
713 Trevino Court
Carlsbad, NM 88220

Ross Duncan Properties, LLC
P O Box 647
Artesia, New Mexico 88211

Big Three Energy Group, LLC
P O Box 429
Roswell, New Mexico 88202

Xplor Resources, LLC
1104 North Shore
Carlsbad, New Mexico 88220

Roy L. Palomino and Carrie C. Palomino
P.O. Box 11
Loving, NM 88256

Roberto B. Lujan
1204 Jacob
Visalia, CA 93291

Estate of Raymond Walker, Deceased
In care of Alvin Dean Harris
P.O. Box 89
Malaga, NM 88263

Lupe Ramirez and Margarita Ramirez, his
wife, as joint tenants
PO Box 112
Malaga, NM 88263

Bush Exploration
Post Office Drawer 10626
Midland, TX 79702

Robert B. Coleman
P O Box 501
Midland, Texas 79702

Debra Kay Primera
P O Box 28504
Austin, Texas 78755

Ricky Raindl
P O Box 142454
Irving, TX 75014

Robert Coleman
2502 Concord
Midland, Tx 79701

D. Stuart Harroun, Jr. as Tenants in
Common Trustee of the D. Stuart Harroun,
Jr. Revocable Trust UTA
7020 Edith NE
Albuquerque, New Mexico 87113

United New Mexico Trust Company of
Albuquerque, Trustee of Dorothy S.
Harroun Irrevocable Trust,
As Tenants in Common
200 Lomas Blvd, NW
Albuquerque, New Mexico 87102

S2 and NW4 Sec 11, T24S, R28E ✓

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

W/2, NE/4, Sec 14, T24S, R28E ✓

Guardian Operating Corp.
6824 Island Circle
Midland, Texas 79707

MATADOR APPLICATION NOTICE
ANN COM 221H
MAILED: AUGUST 12, 2016

PARTIES	CERTIFIED RECEIPT NO.
E/2 NW/4 Sec 16, T24S, R28E	
COG Production, LLC (N2) One Concho Center 600 W. Illinois Avenue Midland, TX 79701	7015-1520-0002-9720-2313
OXY USA WTP LLC (S2) P.O. Box 4294 Houston, TX 77210	7015-1520-0002-9720-2306
S2 and NE4 Sec 9, T24S, R28E	
Chevron Midcontinent Attn: Permitting Team 6301 Deauville Blvd. Midland, TX 79706	7015-1520-0002-9720-2290
Elevation Resources LLC 200 North Loraine Street, Suite 1010 Midland, TX 79701	7015-1520-0002-9720-2283
S2 Sec 10, T24S, R28E	
Cogent Energy 6824 Island Circle Midland, TX 79707	7015-1520-0002-9720-2276
RSC Resources 6824 Island Circle Midland, TX 79707	7015-1520-0002-9720-2269
Yates Petroleum Corp. 105 S. 4 th Street Artesia, NM 88210	7015-1520-0002-9720-2252
ABQ Petroleum Corp. P.O. Box 900 Artesia, NM 88211	7015-1520-0002-9720-2245

MATADOR APPLICATION NOTICE
ANN COM #221H
MAILED: AUGUST 12, 2016

PARTIES	CERTIFIED RECEIPT NO.
Myco Industries P.O. Box 840 Artesia, NM 88211	7015-1520-0002-9720-2238
Estate of Frances Virginia Dowling, Deceased Margaret Dowling 1829 Georgia NE Albuquerque, NM 87110	7015-1520-0002-9720-2221
Janine Gossett 713 Trevino Court Carlsbad, NM 88220	7015-1520-0002-9720-2214
Ross Duncan Properties, LLC P.O. Box 647 Artesia, NM 88211	7015-1520-0002-9720-2207
Big Three Energy Group, LLC P.O. Box 429 Roswell, NM 88202	7015-1520-0002-9720-2191
Xplor Resources, LLC 1104 North Shore Carlsbad, NM 88220	7015-1520-0002-9720-2184
Roy L. Palomino and Carrie C. Palomino P.O. Box 11 Loving, NM 88256	7015-1520-0002-9720-2177
Roberto B. Lujan 1204 Jacob Visalia, CA 93291	7015-1520-0002-9720-2160
Estate of Raymond Walker, Deceased In care of Alvin Dean Harris P.O. Box 89 Malaga, NM 88263	7015-1520-0002-9720-2153

MATADOR APPLICATION NOTICE
ANN COM #221H
MAILED: AUGUST 12, 2016

PARTIES	CERTIFIED RECEIPT NO.
Lupe Ramirez and Margarita Ramirez, His wife, as joint tenants P.O. Box 112 Malaga, NM 88263	7015-1520-0002-9720-2146
Bush Exploration Post Office Drawer 10626 Midland, TX 79702	7015-1520-0002-9720-2139
Robert B. Coleman P.O. Box 501 Midland, TX 79702	7015-1520-0002-9720-2122
Debra Kay Primera P.O. Box 28504 Austin, TX 78755	7015-1520-0002-9720-2115
Ricky Raindl P.O. Box 142454 Irving, TX 75014	7015-1520-0002-9720-2108
Robert Coleman 2502 Concord Midland, TX 79701	7015-1520-0002-9720-2092
D. Stuart Harroun, Jr. as Tenants in Common Trustee of the D. Stuart Harroun, Jr. Revocable Trust UTA 7020 Edith NE Albuquerque, NM 87113	7015-1520-0002-9720-2085
United New Mexico Trust Company of Albuquerque, Trustee of Dorothy S. Harroun Irrevocable Trust, as Tenants in Common 200 Lomas Blvd. NW Albuquerque, NM 87102	7015-1520-0002-9720-2078

MATADOR APPLICATION NOTICE
ANN COM #221H
MAILED: AUGUST 12, 2016

PARTIES	CERTIFIED RECEIPT NO.
S2 and NW4 Sec 11, T24S, R28E	
COG Operating, LLC One Concho Center 600 W. Illinois Avenue Midland, TX 79701	7015-1520-0002-9720-2061
W/2, NE/4, Sec 14, T24S, R28E	
Guardian Operating Corp. 6824 Island Circle Midland, TX 79707	7015-1520-0002-9720-2054

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August 12, 2016



MODRALL SPERLING

L A W Y E R S

August 12, 2016

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Zoë E. Lees
505.848.1859
Fax: 505.848.9710
Zoe.lees@modrall.com

TO AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Ann Com 15-24S-28E RB #221H well located in the N/2 of Section 15, 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:

Trey Goodwin, RPL
Matador Production Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240
Phone: 972-371-5283

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 Spierling
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

WAIVER

_____ hereby waives objection to the above referenced Application for an Unorthodox Location for the Ann Com 15-24S-28E RB #221H well, underlying the N/2 of Section 15, Township 24 South, Range 28 East, Eddy County, New Mexico.

Dated: _____

Signature

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, September 26, 2016 9:24 AM
To: 'Jennifer L. Bradfute'; 'Zoe Lees'
Cc: Bayliss, Randolph, EMNRD; Sharp, Karen, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; 'lisa@rwbyram.com'
Subject: NSL-7459 (Ann Com 15-24S-28E Well No. 221H, Eddy County) APPROVED
Importance: High

Ms. Jennifer L. Bradfute

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

NSL-7459

Matador Production Company

API #: 30-015-43899

WELL: Ann Com 15-24S-28E Well No. 221H, 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/>