

ID NO. 319847

**NSL - 8727**

Revised March 23, 2017

RECEIVED: <b>03/04/24</b>	REVIEWER:	TYPE:	APP NO: <b>pLEL2406459821</b>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & 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

**Applicant:** Matador Production Company **OGRID Number:** 228937  
**Well Name:** B. Byerley 22-16S-37E State #1 **API:** Pending  
**Pool:** Lovington; Upper Penn, Northeast **Pool Code:** 40760

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

**1) TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [ I ] or [ II ]

[ I ] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

**2) NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☒ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

**3) 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.**

Kyle Perkins

Print or Type Name

*Kyle Perkins*

Signature

3/4/24

Date

972-371-5202

Phone Number

Kperkins@matadorresources.com

e-mail Address

## Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5202

[kperkins@matadorresources.com](mailto:kperkins@matadorresources.com)

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Kyle Perkins  
Senior Vice President and Assistant General Counsel

March 4, 2024

### **VIA CERTIFIED MAIL/RRR**

### **TO AFFECTED PARTIES**

Re: Application for Administrative Approval of Non-Standard Location for Matador's  
B. Byerley 22-16S-37E State #1 (API pending) – Lovington; Upper Penn,  
Northeast (Pool Code 40760).

To Whom It May Concern,

Enclosed is a copy of the above-referenced application that was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please give me a call at your convenience.

Sincerely,



Kyle Perkins

# Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5202

[kperkins@matadorresources.com](mailto:kperkins@matadorresources.com)

Kyle Perkins  
Senior Vice President and Assistant General Counsel

March 4, 2024

## **VIA ONLINE FILING**

Mr. Leonard R. Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Non-Standard Location for Matador's B. Byerley 22-16S-37E State #1 (API pending) – Lovington; Upper Penn, Northeast (Pool Code 40760).

Dear Mr. Lowe,

Matador Production Company respectfully requests administrative approval of a non-standard location for our B. Byerley 22-16S-37E State #1 (API pending), to be completed in the Lovington; Upper Penn, Northeast (Pool Code 40760).

Matador's B. Byerley 22-16S-37E State #1 (API pending) is a directional well to be completed only at the bottom hole location. The special pool rules for the Lovington; Upper Penn, Northeast (Pool Code 40760) were set forth in Division Order R-3816. Pursuant to those special pool rules:

- a. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2 or W/2 of a governmental quarter section; and
- b. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

As set forth below, Matador's application requests a non-standard location because the proposed bottom hole is located outside 150 feet of the center of the subject governmental quarter-quarter section. Matador will be filing its application for a drilling permit for this well separately in the near future.

Mr. Leonard R. Lowe  
March 4, 2024  
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1. Well name: B. Byerley 22-16S-37E State #1 (API pending)
2. Pool: Lovington; Upper Penn, Northeast (Pool Code 40760)
3. Spacing Unit: N/2 NW/4 of Section 22, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico.

This is a standard spacing unit in this pool pursuant to Division Order R-3816. A copy of a draft form C102 for the well is enclosed. The well will be the first well drilled in this spacing unit.

4. Acreage in Spacing Unit: 80 acres.
5. Directional Well Location:
  - a. Directional Well Surface Location: 518' FNL, 2,260 FWL of Section 22, T16S, R37E, Lea County, New Mexico.
  - b. Directional Well Bottom Hole Location: 205' FNL, 1,727 FWL of Section 22, T16S, R37E, Lea County, New Mexico.
  - c. Directional Well's Completed Interval: The well's entire completed interval will be located at the bottom hole location; specifically, 205' FNL, 1,727 FWL of Section 22, T16S, R37E, Lea County, New Mexico.
6. Matador requests this non-standard location because it will allow for the most efficient development of this acreage, thereby preventing waste. Specifically, as set forth in the attached letter from Matador's Vice President of Geology, 3D seismic has revealed discrete reservoirs within the Strawn formation in this area, including the discrete reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—205' FNL, 1,727 FWL of Section 22, T16S, R37E—is located where Matador believes it can most efficiently drain the discrete reservoir identified on this acreage. Matador does not believe it can efficiently drain this reservoir from a standard location within 150 feet of the center of a quarter-quarter section, and believes that attempting to do so would leave significant production volumes in place and result in waste. Accordingly, the granting of Matador's application would prevent this waste and lead to the most efficient development of this acreage.
7. The well is in an oil pool and we anticipate the well will produce both oil and gas.
8. Pursuant to NMAC 19.15.4.12(B)(a), the affected persons in this circumstance are those located in the adjoining quarter section because the spacing unit that is the subject of this application is greater than 40 acres under the special pool rules. Accordingly, the area of encroachment is the SW/4 of Section 15, T16S, R37E, Lea County, New Mexico.

Mr. Leonard R. Lowe  
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The SW/4 of Section 15, T16S, R37E, Lea County, New Mexico, is one state lease in which one party, XTO Holdings, LLC, owns the working interest. Matador will provide notice of this application to XTO Holdings, LLC, as well as the New Mexico State Land Office, as shown on the enclosed exhibit.

If you would like any additional information regarding this application, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "K. Perkins", is written above the printed name.

Kyle Perkins



DISTRICT I  
1825 N. FRENCH DR., HOBBS, NM 88240  
Phone: (505) 293-6161 Fax: (505) 393-6720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1383 Fax: (505) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 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	Pool Code <b>40760</b>	Pool Name <b>Lovington; Upper Penn, Northeast</b>
Property Code	Property Name <b>B. BYERLEY 22-16S-37E STATE</b>	Well Number <b>1</b>
OGRID No. <b>228937</b>	Operator Name <b>MATADOR PRODUCTION COMPANY</b>	Elevation <b>3789.9'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	16-S	37-E		518	NORTH	2260	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	22	16-S	37-E		205	NORTH	1727	WEST	LEA
Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.						

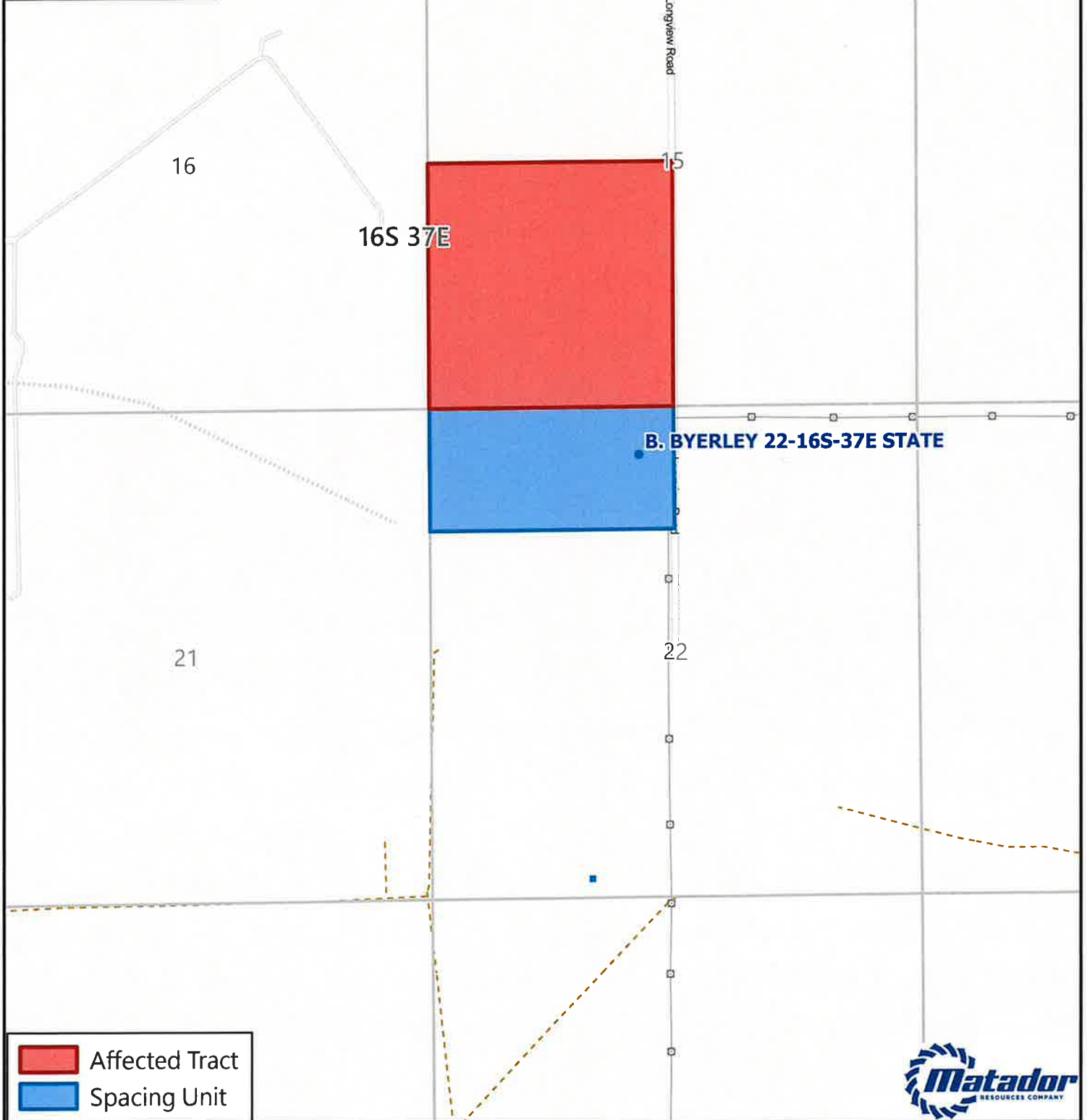
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> <b>2/22/24</b> Signature Date <b>Reece Clark</b> Printed Name <b>reece.clark@madadonresources.com</b> E-mail Address</p>																																
<p><b>NAD 83 NME</b> GRID AZ. - 299°47'46" HORZ. DIST. - 616.9' <b>NAD 27 NME</b> GRID AZ. - 299°47'33" HORZ. DIST. - 616.8'</p>	<p><b>NAD 27 NME SURFACE LOCATION</b> Y=697693.5 N X=835935.3 E LAT.=32.913243° N LONG.=103.238692° W</p>	<p><b>NAD 83 NME SURFACE LOCATION</b> Y=697756.8 N X=877113.1 E LAT.=32.913359° N LONG.=103.239187° W</p>																																
<p><b>NAD 83 NME BOTTOM HOLE LOCATION</b> Y=698000.0 N X=835400.0 E LAT.=32.914101° N LONG.=103.240425° W</p>	<p><b>NAD 27 NME BOTTOM HOLE LOCATION</b> Y=698000.0 N X=835400.0 E LAT.=32.914101° N LONG.=103.240425° W</p>	<p><b>NAD 83 NME BOTTOM HOLE LOCATION</b> Y=698063.3 N X=876577.8 E LAT.=32.914217° N LONG.=103.240920° W</p>																																
<p><b>POINT LEGEND NAD 83</b></p> <table border="1"> <tr><td>1</td><td>Y=698263.7 N</td></tr> <tr><td></td><td>X=876167.1 E</td></tr> <tr><td>2</td><td>Y=698279.9 N</td></tr> <tr><td></td><td>X=877485.2 E</td></tr> <tr><td>3</td><td>Y=698959.0 N</td></tr> <tr><td></td><td>X=877496.7 E</td></tr> <tr><td>4</td><td>Y=696943.7 N</td></tr> <tr><td></td><td>X=876178.3 E</td></tr> </table>	1	Y=698263.7 N		X=876167.1 E	2	Y=698279.9 N		X=877485.2 E	3	Y=698959.0 N		X=877496.7 E	4	Y=696943.7 N		X=876178.3 E	<p><b>POINT LEGEND NAD 27</b></p> <table border="1"> <tr><td>1</td><td>Y=698200.4 N</td></tr> <tr><td></td><td>X=834989.3 E</td></tr> <tr><td>2</td><td>Y=698216.6 N</td></tr> <tr><td></td><td>X=836307.4 E</td></tr> <tr><td>3</td><td>Y=696895.7 N</td></tr> <tr><td></td><td>X=836318.8 E</td></tr> <tr><td>4</td><td>Y=696880.4 N</td></tr> <tr><td></td><td>X=835000.5 E</td></tr> </table>	1	Y=698200.4 N		X=834989.3 E	2	Y=698216.6 N		X=836307.4 E	3	Y=696895.7 N		X=836318.8 E	4	Y=696880.4 N		X=835000.5 E	<p><b>SURVEYOR CERTIFICATION</b></p> <p>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 and correct to the best of my belief.</p> <p><b>JANUARY 5, 2024</b> Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor <i>[Signature]</i> <b>2/11/24</b> Certificate No. <b>CHAD HARCROW 17777</b> W.O. #24-138 DRAWN BY: WN</p>
1	Y=698263.7 N																																	
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# B. BYERLEY 22-16S-37E STATE

Date Published:  
3/1/2024



Affected Tract  
Spacing Unit



GIS Standard Map Disclaimer:  
This cartographic product is for informational purposes and may not have been designed for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and other sources to ensure the reliability of the information.

0 500 1,000 2,000 Feet

1:18,000

1 inch equals 1,500 feet

Map Prepared by: amercio.gamarral  
Date: March 1, 2024  
Project: \\gis\UserData\agamarra\temp\20240301 B BYERLEY\B BYERLEY.aprx  
Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet  
Sources: IHS; ESRI; US DOI BLM Carlsbad, NM Field Office, GIS Department;  
Texas Cooperative Wildlife Collection, Texas A&M University;  
United States Census Bureau (TIGER);

8. Byerley 22-16S-37E State #1 Affected Parties					
Type	Affected Party	Address	City, State, Zip	Affected Tract	Tracking Number
Working Interest Owner	XTO Holdings, LLC	22777 Springwoods Village Parkway	Spring, Texas 77389	SW/4 of Section 15, T16S, R37E	9488 9090 0027 6010 7151 87
Mineral Owner	New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe, NM 87501	SW/4 of Section 15, T16S, R37E	9488 9090 0027 6010 7151 70



## Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5476

[aparker@matadorresources.com](mailto:aparker@matadorresources.com)

Andrew Parker  
Vice President of Geology

February 27, 2024

### VIA ONLINE FILING

Mr. Leonard R. Lowe  
Engineering Bureau  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval of Non-Standard Location for Matador's  
B. Byerley 22-16S-37E State #1 (API pending) – Lovington; Upper Penn,  
Northeast (Pool Code 40760).

Dear Mr. Lowe,

I am writing in support of Matador Production Company's application for approval of a non-standard location for our B. Byerley 22-16S-37E State #1 (API pending), to be completed in the Lovington; Upper Penn, Northeast (Pool Code 40760).

Matador has access to 3D seismic data covering the Strawn formation on this acreage. Based on our interpretation of that 3D seismic data, we have found that there are discrete reservoirs within the Strawn formation in this area, including the discrete reservoir Matador is targeting with this proposed well. Matador's proposed bottom hole location—205' FNL, 1,727 FWL of Section 22, T16S, R37E, Lea County, New Mexico—is located where we believe we can most efficiently drain the discrete reservoir we have identified on this acreage. We do not believe we can efficiently drain this reservoir from a standard location within 150 feet of the center of a quarter-quarter section, and we believe that attempting to do so would leave significant production volumes in place and result in waste. The granting of Matador's application would prevent this waste and lead to the most efficient development of this acreage.

Sincerely,



Andrew Parker

**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 Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

CONDITIONS  
  
Action 319847

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 319847
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/4/2024