

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



October 7th, 2021

Mr. Kyle Perkins,
kperkins@matadorresources.com

Administrative Order NSP-2129

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Matador Production Company [OGRID 228937]
Joe Hollingsworth Fee Well No. 201H [API No. 30-015-PENDING]

Reference is made to your application received on September 16th, 2021.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Decreased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
N/2 of Section 21 NW/4 & W/2 NE/4 of Section 22	560	Purple Sage; Wolfcamp	98220

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit comprising 560 acres, consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(3) NMAC.

We understand that you are seeking this exception for an allowance to create a 560-acre, non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Eddy County, New Mexico.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are being excluded.

You have requested this non-standard horizontal spacing unit due to the existing Big Eddy unit already existing in the excluded acreage of the horizontal spacing unit in order to maximize the recovery of oil and gas reserves within the N/2 of section 21 and the NW/4 and W/2 NE/4 of

section 22. Therefore, reducing waste while protecting correlative rights within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit with a Sundry notice to the Engineering Bureau, reference this NSP Order.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl