

DATE IN 7/15/16	SUSPENSE	ENGINEER LRL	LOGGED IN 7/15/16	TYPE NSL	PLEL 1619756333
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8/5/16

ABOVE THIS LINE FOR DIVISION USE ONLY

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



NSL-74477

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. [#228937]**
 [A] Location - Spacing Unit - Simultaneous Dedication **DR. SCRIVNER FED 1-24S-28E RB**
 NSL NSP SD **# 224H**
 Check One Only for [B] or [C] **API # 30-015-43823**
 [B] Commingling - Storage - Measurement **POOL: PIERCE CROSSING**
 DHC CTB PLC PC OLS OLM **WOLFCAMP NW (GAS)**
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery **[# 96712]**
 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.

Zoe E. Lees _____ Attorney _____ 7/15/2016
 Print or Type Name Signature Title Date

 zel@modrall.com
 e-mail Address



MODRALL SPERLING

L A W Y E R S

July 15, 2016

Zoë E. Lees
505.848.1859
Fax: 505.848.9710
zel@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 #224H 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").

Dear Mr. Catanach:

Matador Production Company (OGRID No. 228937) seeks administrative approval of an unorthodox well location ("NSL") for its Dr. Scrivner Federal 1-24S-28E RB #224H well (API No. 30-015-43823) 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 #224H

- **Surface Hole Location:** 721 feet from the South line and 661 feet from the East line of Section 1, Township 24 South, Range 28 East;
- **First Perforation Point:** 990 feet from the South line and 330 feet from the East line of Section 1, Township 24 South, Range 28 East ;
- **Last Perforation Point:** 990 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:** 990 feet from the South line and 240 feet from the West line of Section 1, Township 24 South, Range 28 East.

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

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 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 E/2 and SW/4 of Section 2, Township 24 South, Range 28 East and the W/2 and SE/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,



*Attorney for Matador Production
Company*

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

District I
1623 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
1720 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

API Number 30-015-42023	Pool Code 96712	Pool Name WG, Wolfcamp Pierce Crossing, WC Northwest
Property Code 31632+	Property Name DR. SCRIVNER FEDERAL 01-24S-28E RB	Well Number #224H
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 2984'

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	-	721'	SOUTH	661'	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	-	990'	SOUTH	240'	WEST	EDDY

13 Dedicated Acres 320	14 Joint or Infill	15 Consolidation Code C	16 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.

16 BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=588132 Y=451962 LAT.: N 32.2422389 LONG.: W 104.0482794 NAD 1983 X=628318 Y=452021 LAT.: N 32.24236065 LONG.: W 104.0487713	16 LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=588222 Y=451962 LAT.: N 32.2422394 LONG.: W 104.0479883 NAD 1983 X=628406 Y=452021 LAT.: N 32.24236112 LONG.: W 104.0484801	16 SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=582560 Y=451713 LAT.: N 32.2415218 LONG.: W 104.0339597 NAD 1983 X=633744 Y=451772 LAT.: N 32.2416438 LONG.: W 104.0344510	16 FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=592890 Y=451984 LAT.: N 32.2422626 LONG.: W 104.0328912 NAD 1983 X=634073 Y=452042 LAT.: N 32.24238454 LONG.: W 104.0333824
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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 certain interest or undivided mineral interest in the land underlying the proposed bottom hole location or has a right to drill this well in 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. Authorized by the Division.

Brian Wood
Signature
Date: 1-18-16

BRIAN WOOD
Printed Name
brian@permitswest.com
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.

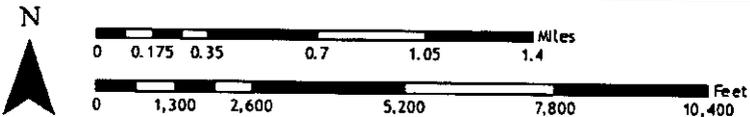
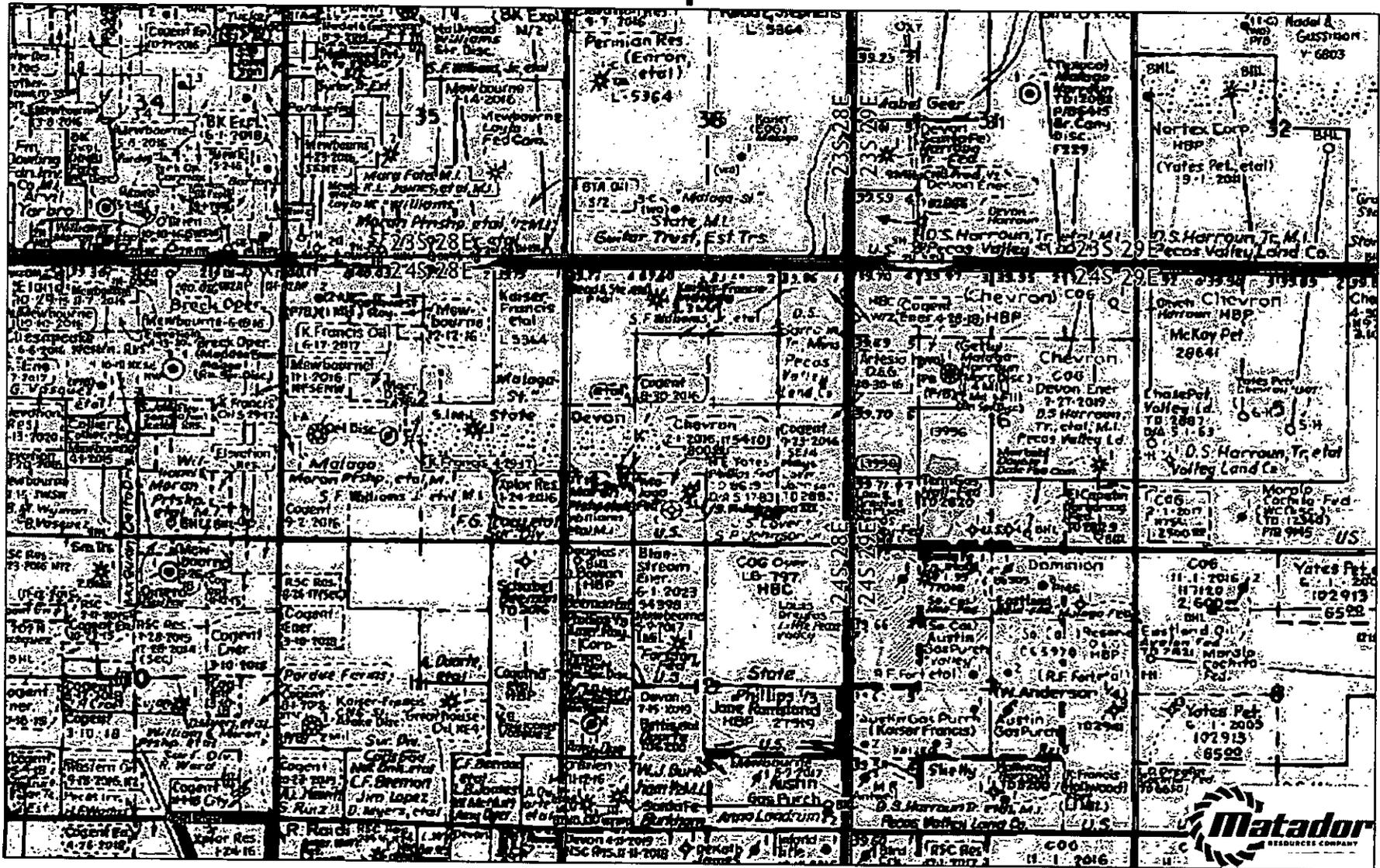
11/19/2015
Date of Survey
Signature and Seal of Professional Surveyor

Michael P. Brown
MICHAEL P. BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR

Certificate Number

Exhibit A

Midland Map 1-24S-28E



Author: Matador Production Company

Date: 6/21/2016



EXHIBIT C

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

Chevron
1400 Smith
Houston, TX 77027

Kaiser Francis Oil Company
PO Box 21468
Tulsa, OK 74121

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

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

MATADOR APPLICATION NOTICE
DR. SCRIVNER FEDERAL 01-24S-28E RB #224H
MAILED: JULY 15, 2016

PARTIES	CERTIFIED RECEIPT NO.
NE/4, S/2 Section 2 Township 24S, Range 28E	
Chevron 1400 Smith Houston, TX 77027	7015-1520-0002-9720-2337
Kaiser Francis Oil Company P.O. Box 21468 Tulsa, OK 74121	7015-1520-0002-9720-2320
NW/4, S/2 Section 6 Township 24S, Range 29E	
Devon Energy Production 333 West Sheridan Avenue Oklahoma City, OK 73102	7015-1520-0002-9720-2344



MODRALL SPERLING
LAWYERS

July 15, 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 #224H 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:

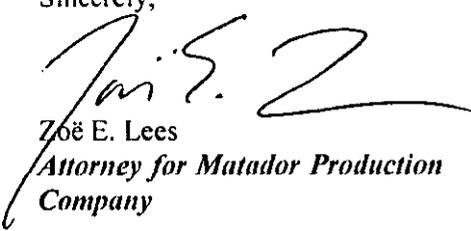
Enclosed in the notice is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 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*

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

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 1-24S-28E RB #224H well, underlying the S/2 of Section 1, Township 24 South, Range 28 East, Eddy County, New Mexico.

Dated: _____
Signature

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, August 22, 2016 10:12 AM
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-7446 (DR. Scrivner Federal 01 24S 28E RB Well No. 204H) & NSL-7447 (DR. Scrivner Federal 01 24S 28E RB Well No. 224H)

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-7446

Matador Production Company

API: 30-015-43821

WELL: DR. Scrivner Federal 01 24S 28E RB Well No. **204H**, Eddy County

NSL-7447

Matador Production Company

API: 30-015-43823

WELL: DR. Scrivner Federal 01 24S 28E RB Well No. **224H**, 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/>