CASE NO. <u>15486</u>: Application of Matador Production Company for a nonstandard location, Eddy County, New Mexico. Applicant seeks an order from the Division approving an unorthodox well location for its Janie Conner 13-24S-28E RB #201H well located in the N/2 of Section 13, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. The Janie Conner 13-24S-28E RB #201H will be horizontally drilled to produce from the Northwest Pierce Crossing-Wolfcamp Gas Pool (Pool Code 96712). The first perforation point for this well will be located 330 feet from the North line and 330 feet from the West line of Section 13, Township 24 South, Range 28 East; and the last perforation point will be located 330 feet from the South line and 330 feet from the East line of Section 13. The Janie Conner 13-24S-28E RB #201H well is located approximately 17 miles southeast of Carlsbad, New Mexico.

RECEIVED OCT

Davidson, Florene, EMNRD

From:	Zoe Lees <zel@modrall.com></zel@modrall.com>
Sent:	Wednesday, March 16, 2016 12:13 PM
То:	Davidson, Florene, EMNRD
Cc:	Randy Cate; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Brooks, David K, EMNRD; darnold@matadorresources.com; Lowe, Leonard, EMNRD
Subject:	RE: Protest of Applications for an NSL - GUITAR 10 - 24S - 28E RB # 222H; JANNIE
	CONNER 13 - 245-28E RB # 201H Case 15486

Ms. Davidson:

Matador Production Company would like to have a hearing set on its NSL applications for the Janie Conner 13-24S-28E RB #201H that it filed administratively with Leonard Lowe.

Since this applications were filed administratively, we do not file a hearing application with the Division, pursuant to Rule 19.15.4.12(E). Could you please set these applications for hearing on the April 28th docket?

Thank you, Zoe Lees

From: Zoe Lees Sent: Wednesday, March 16, 2016 12:11 PM To: 'Lowe, Leonard, EMNRD' Cc: Randy Cate; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Brooks, David K, EMNRD; darnold@matadorresources.com Subject: RE: Protest of Applications for an NSL - GUITAR 10 - 24S - 28E RB # 222H; JANNIE CONNER 13 - 24S-28E RB # 201H

Mr. Lowe,

Matador Production Company would like to have its NSL application for the Janie Conner 13-24S-28E RB 201H set for hearing. My understanding is that Matador is not required to do anything further in order to have this matter set for hearing. Please *see* Rule 19.15.4.12(E) NMAC. However, please let me know if you need anything else from me.

Thank you, Zoe Lees

From: Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]
Sent: Monday, March 7, 2016 4:35 PM
To: Zoe Lees
Cc: Randy Cate; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Brooks, David K, EMNRD
Subject: Protest of Applications for an NSL - GUITAR 10 - 24S - 28E RB # 222H; JANNIE CONNER 13 - 24S-28E RB # 201H
Importance: High

Ms. Zoe Lees,

RE: Matador Production Company: GUITAR 10- 24S – 28E RB # 222H All located in: 24S 28E

OCD was notified that Randy Cate (RSC Resources, L.P; Guardian Operating Corp.; Cogent Energy Inc.), is protesting these applications for approval for a Non Standard Location. This party is identified as an affected person for the location. Therefore, you are being notified that if Matador Production Company wishes for this application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party. The application will be retained by OCD, but suspended from further administrative review.

Please contact OCD once you have made a decision regarding the application within the next 30 days. If the protest remains after 30 days, OCD will initiate the process for the application to be reviewed at hearing. Please call/e-mail me with any questions regarding this matter. Thank you. LRL

Contact Information:

Mr. Randy Cate RSC Resources, L.P. Guardian Operating Corp. Cogent Energy, Inc. 432-553-1849

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/

From: Randy Cate [guardian_op@yahoo.com] Sent: Wednesday, March 02, 2016 12:47 PM To: Lowe, Leonard, EMNRD Subject: NSL Protests

Mr. Lowe,

My companies hereby object to the following applications for unorthodox well locations by Matador Production Company:

Guitar 10-24S-28E RB #222H, N2 Section 10-24S-28E, Eddy County, NM. Cogent Energy, Inc is objecting. There are also many leasehold owners and un-leased mineral interests in S2 10 not included in their application.

Janie Conner 13-24S-28E RB #201H, N2 Section 13-24S-28E, Eddy County, NM. Cogent Energy, Inc., RSC Resources, L.P., and Guardian Operating Corp are objecting.

Please confirm receipt of this email.

Respectfully submitted,

Randy Cate RSC Resources, L.P. Guardian Operating Corp. Cogent Energy, Inc. 432-553-1849

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

APPLICATION PROTESTED

Applicant: Matador Production Company
Application Type:
Well Name: Janie Conner 13-245-28EAPI: 30-015-43413 RB# 2014
Protestant: Randy Cate of Scaudion Operating Corp. Date Protest Received: March 7,2016

Notification of Applicant:	March	7,	2016

Resolution: _____

.

Copy to Case Handler:

Lowe, Leonard, EMNRD

From:	Lowe, Leonard, EMNRD
Sent:	Monday, March 07, 2016 4:35 PM
To:	'Zoe Lees'
Cc:	'Randy Cate'; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Brooks, David K, EMNRD
Subject:	Protest of Applications for an NSL - GUITAR 10 - 24S - 28E RB # 222H; JANNIE CONNER 13 - 24S-28E RB # 201H

Importance:

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High

Case 15486

Ms. Zoe Lees,

RE: Matador Production Company: GUITAR 10- 24S – 28E RB # 222H JANIE CONNER 13-24S-28E RB # 201H

All located in: 24S 28E

OCD was notified that Randy Cate (RSC Resources, L.P; Guardian Operating Corp.; Cogent Energy Inc.), is - protesting these applications for approval for a Non Standard Location. This party is identified as an affected person for the location. Therefore, you are being notified that if Matador Production Company wishes for this - application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party. The application will be retained by OCD, but suspended from further administrative review.

Please contact OCD once you have made a decision regarding the application within the next 30 days. If the protest remains after 30 days, OCD will initiate the process for the application to be reviewed at hearing. Please call/e-mail me with any questions regarding this matter. Thank you. LRL

Contact Information:

Mr. Randy Cate RSC Resources, L.P. Guardian Operating Corp. Cogent Energy, Inc. 432-553-1849

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: <u>leonard.lowe@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u>

From: Randy Cate [guardian_op@yahoo.com] Sent: Wednesday, March 02, 2016 12:47 PM To: Lowe, Leonard, EMNRD Subject: NSL Protests

Mr. Lowe,

يد

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Janie Conner 13-24S-28E RB #201H, N2 Section 13-24S-28E, Eddy County, NM. Cogent Energy, Inc., RSC Resources, L.P., and Guardian Operating Corp are objecting.

Please confirm receipt of this email.

Respectfully submitted,

Randy Cate RSC Resources, L.P. Guardian Operating Corp. Cogent Energy, Inc. 432-553-1849

Lowe, Leonard, EMNRD

From: Sent: To: Cc: Subject: Lowe, Leonard, EMNRD Wednesday, March 02, 2016 5:52 PM Randy Cate William.v.jones@state.nm.us; Dade, Randy, EMNRD RE: NSL Protests

Mr. Randy Cate,

- OCD recognizes your protest referenced to Matador's Non Standard Location request for the following:

Guitar 10-24S-28E RB # 222H

Jannie Conner 13-24S-28E RB # 201H

OCD shall inform Matador Production Company of your protest.

Leonard Lowe

Engineering Bureau 1220 South St. Francis Santa Fe, New Mexico 87505 505-476-3492 leonard.Iowe@state.nm.us

From: Randy Cate [guardian_op@yahoo.com] Sent: Wednesday, March 02, 2016 12:47 PM To: Lowe, Leonard, EMNRD Subject: NSL Protests

Mr. Lowe,

My companies hereby object to the following applications for unorthodox well locations by Matador Production Company:

Guitar 10-24S-28E RB #222H, N2 Section 10-24S-28E, Eddy County, NM. Cogent Energy, Inc is objecting. There are also many leasehold owners and un-leased mineral interests in S2 10 not included in their application.

Janie Conner 13-24S-28E RB #201H, N2 Section 13-24S-28E, Eddy County, NM. Cogent Energy, Inc., RSC Resources, L.P., and Guardian Operating Corp are objecting.

Please confirm receipt of this email.

Respectfully submitted,

Randy Cate RSC Resources, L.P. Guardian Operating Corp.

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CERTIFICATION: I hereby certify that the information submitted with this application for administrative [4] 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: State	ote: Statement must be completed by an individual with managerial and/or supervisory cap					
Zoë E. Lees	- Im 7. C	Attorney		2/22/2016		
Print or Type Name	Signature	Title	`	Date		
		zoe.lees@modrall.c	óm			
	V	a sistent And down a				

zoe.lees@modrall.com e-mail Address

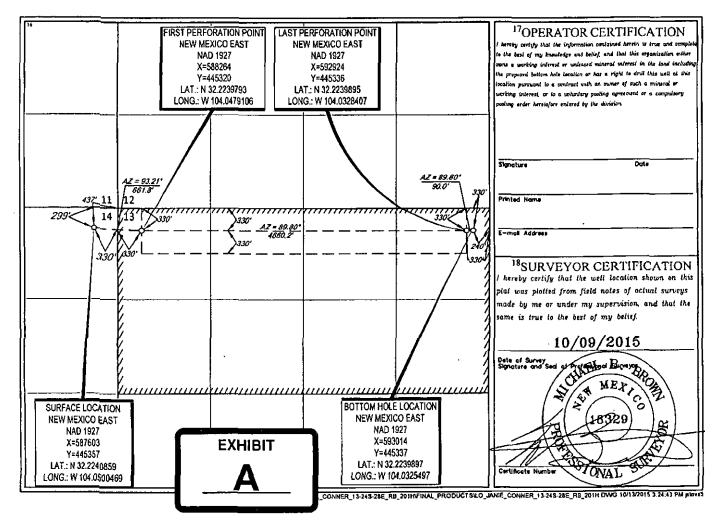
<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-5161 Fax: (575) 393-0720 <u>District 11</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District 111</u> 1600 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. E. 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

		W	ELL LO	CATION	AND ACRE	EAGE DEDICA	TION PLAT	ı 	
	API Numbe	- 63		² Pool Code			³ Pool Nam	e	
30-015 Property (<u>-43</u>	1 🖨 👘		712	Pic	<u>me</u> me	Sing welt	iAmp Nul	(CAS)
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				JANIE C	ONNER 13	–245–28E R	B	#	201H
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2284	B7		М	IATADOR	PRODUCT	ION COMPAN	Y	2	2976'
			_		¹⁰ Surface Loo	ation			
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Α	14	24-S	28-E	- 1	299'	NORTH	330'	EAST	EDDY
UL or lot po.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lint	County
A	13	24-S	28-E	-	330'	NORTH	240'	EAST	EDDY
¹¹ Dedicated Acres 320	¹⁴ Joint or	Infill ^{[4} Co	nsolidation Code	¹⁵ Order i	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.





Case 15486

February 22, 2016

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTEI

TO AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Janie Conner 13-24S-28E RB #201H well located in the N/2 of Section 13, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed in this 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. If no objections are received within twenty days, this 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: 972-371-5430

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:

Zøë E. Lees Attorney for Matador Production Company

Modrall Sperling Rochl Harris & Sisk P.A.

505.848.1859

505.848,9710

Bank of America Centre 500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, Néw Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com Page 2

WAIVER

hereby waives objection to the above referenced Application for Unorthodox Location for the Janie Conner 13-24S-28E RB #201H well, underlying the N/2 of Section 13, Township 24S, Range, 28E, Eddy County, New Mexico.

Dated: _____

Signature



February 22, 2016

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

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

Re: Application of Matador Production Company for administrative approval of unorthodox well location for its Janie Conner 13-24S-28E RB #201H well located in the N/2 of Section 13, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dear Mr. Catanach:

1.

Matador Production Company (OGRID No. <u>228937</u>) seeks administrative approval of an unorthodox well location for its Janie Conner 13-24S-28E RB #201H well (API No. 30-015-43463) to be completed within the Northwest Pierce Crossing-Wolfcamp Gas Pool (Pool Code 96712) underlying the N/2 of Section 13, Township 24S, Range, 28E, Eddy County, New Mexico. Attached as **Exhibit A** is C-102 for the well. This is a horizontal well that will be drilled as follows:

Janie Conner 13-24S-28E RB #201H

- <u>Surface Hole Location</u>: 299 feet from the North line and 330 feet from the East line of Section 14, Township 24 South, Range 28 East;
- First Perforation Point: 330 feet from the North line and 330 feet from the West line of Section 13, Township 24 South, Range 28 East;
- <u>Last Perforation Point</u>: 330 feet from the North line and 330 feet from the East line of Section 13; and
- <u>Bottom Hole Location</u>: 330 feet from the North line and 240 feet from the East line of Section 13.

Matador Production Company is requesting this NSL in order to efficiently produce its interests in Section 13. This well is producing from the Northwest Pierce Crossing-Wolfcamp Gas Pool (Pool Code 96712). There are Modrall Sperling Rochi 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 Page 2

no special pool rules for this pool, and thus the setback requirements under Rule 19,15,15:10(B) of 660⁻ apply. As a result; the completed interval for this well is closer than 660⁻ from the boundary of the project area. The unorthodox location will encroach towards the S/2 and the NE/4 of Section 11; Section 12, the N/2 and SE/4 of Section 14, the S/2 and the NW/4 of Section 7, Township 24 South, Range 29 East, and the N/2 and SW/4 of Section 18; Township 24 South, Range 29 East. **Exhibit B** is list showing the surrounding ownership and the project area for the proposed Janie Conner 13-24S-28E RB #201H well in relation to adjoining units.

Exhibit C is a list of the parties affected by the encroachment. Each of these parties have been provided notice of this application by certified mail, return receipt requested, advising them that if they have any objection to 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.

Since Zoë

Atterney for Matador Production Company

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

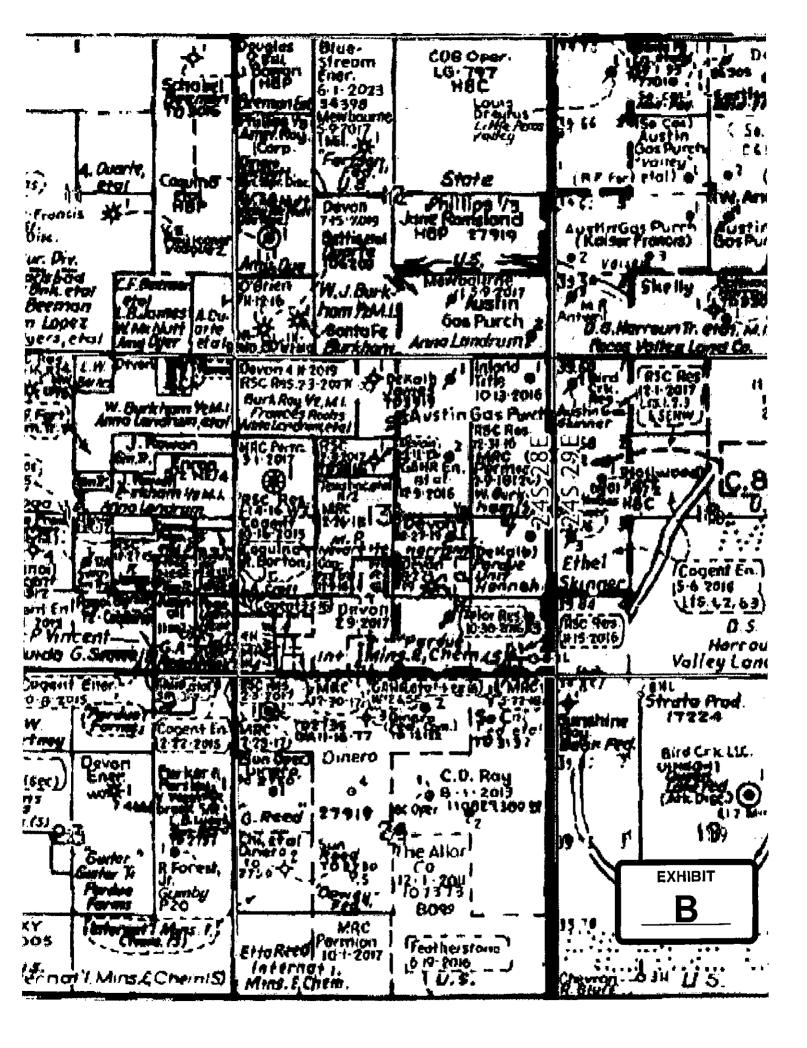




EXHIBIT C:

List of Affected Persons for the Application of Matador Production Company for administrative approval of unorthodox well location for its Janie Conner 13-24S-28E RB #201H well located in the N/2 of Section 14, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Section 11, S/2 & NE/4

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

Section 12

Mewbourne Oil Company P. O. Box 5270 Hobbs, NM 88241

COG Operating LLC One Concho Center 600 West Illinois Midland, TX 79701

Section 14, N/2 & SE/4

Matador Production Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

Guardian Operating Corp. 6824 Island Circle Midland, Texas 79707

Section 7, Township 24 South, Range 29 East, S/2 & NW/4

Magnum Hunter 3500 William D. Tate Grapevine, TX 76051

UTI P. O. Box 1416 Snyder, TX 79550 RKI Exploration and Production 210 Park Avenue, #900 Oklahoma City, OK 73102

Kaiser Francis Oil Company P. O. Box 21468 Tulsa, OK 74121

Fortson Oil Company 301 Commerce Street Fort Worth, TX 76102

Section 18, Township 24 South, Range 29 East, N/2 & SW/4

RSC Resources 6824 Island Circle Midland, TX 79707

Cogent Energy, Inc. 6824 Island Circle Midland, TX 79707

Chevron 1400 Smith Houston, TX 77002

USA-BLM – NM-027919 P. O. Box 27115 Santa Fe, NM 87501 Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 jlb@modrall.com

Modrail Sperling 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

