District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

| NFO Permit | No. | |
|------------|-----|-------------------------|
| | | (For Division Use Only) |

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

| whose address is One Lincoln Centre, 5400 LBJ Fwy., Suite 1500, Dallas, TX 75240, hereby requests an exception to Rule 19.15.18.12 for | A. | A. Applicant Matador Production Company | | | | |
|--|--|--|---|--|--|--|
| hereby requests an exception to Rule 19.15.18.12 for | | whose address is One Lincoln Centre, 5400 LBJ Fwy., Suite 1500, Dallas, TX 75240 | | | | |
| Name of Lease SST SOUTH 06-19S-29E TB Name of Pool PALMILLO,BONE SPRING, EAST Location of Battery: Unit Letter Location of Battery: Unit Letter Section 6 Township 19S Range 29E Number of wells producing into battery 2.5ST 6 STATE 123H (30-015-44325).SST 6 STATE 124H (30-015-44324) B. Based upon oil production of 200 barrels per day, the estimated * volume of gas to be flared is 600 MCF; Value per day. C. Name and location of nearest gas gathering facility: Enterprise D. Distance Estimated cost of connection E. This exception is requested for the following reasons: Flare intermittently due to gas plant pipeline (HLP) and equipment issues OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature Brian Fancher, Regulatory Manager Printed Name & Title Brian Fancher, Regulatory Manager E-mail Address BALLOL,BONE SPRING, EAST Township 19S Range 29E Date 19SA ANDE STATE 123H (30-015-44325).SSTATE 124H (30-015-44324) Date 19SA ANDE STATE 123H (30-015-44325).SSTATE 124H (30-015-44326) Township 19S Range 29E Township 19S Range 29E Township 19S Range 29E Date 19SA ANDE STATE 123H (30-015-44325).SSTATE 124H (30-015-44326) Township 19S Range 29E Township 19S Range 29E Date 19SA ANDE STATE 123H (30-015-44325).SSTATE 124H (30-015-44326) Date 19SA ANDE STATE 123H (30-015-44326) Township 19S Range 29E Date 19SA ANDE STATE 124H (30-015-44326) Township 19S Range 29E Date 19SA ANDE STATE 124H (30-015-44326) Township 19S Range 29E Date 19SA ANDE STATE 124H (30-015-44326) Township 19S Range 29E Date 19SA ANDE STATE 123H (30-015-44326) Township 19S Range 29E Date 19SA ANDE STATE 124H (30-015-44326) Township 19SA ANDE STATE 124H (30-015-44326) Township 19SA ANDE STATE 124H (| | | 00 | | | |
| Number of wells producting into battery 200 barrels per day, the estimated * volume of gas to be flared is | | | | | | |
| Number of wells producting into battery 200 barrels per day, the estimated * volume of gas to be flared is | | Name of Lease SST SOUTH 06-19S-29E TB Name of Pool PALMILLO;BONE SPRING, EAST | | | | |
| B. Based upon oil production of | | Location of Battery: Unit Letter | Section 6 Township 19S Range 29E | | | |
| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature Brian Fancher Printed Name & Title Brian Fancher, Regulatory Manager E-mail Address bfancher@matadorresources.com Division Label Plancher Pla | | Number of wells producing into battery2;\$S | T 6 STATE 123H (30-015-44325);SST 6 STATE 124H (30-015-44324) | | | |
| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature Brian Fancher Brian Fancher, Regulatory Manager E-mail Address D. DistanceEstimated cost of connection Estimated cost of connection OIL CONSERVATION DIVISION Approved UntilNov. 23-Feb. 21, 2021 (90 days) Kurt Simmons NMOCD, Santa Fe Title NMOCD, Santa Fe Date Date | В. | | barrels per day, the estimated * volume | | | |
| D. DistanceEstimated cost of connection E. This exception is requested for the following reasons: Flare intermittently due to gas plant pipeline (HLP) and equipment issues OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature | | of gas to be flared is600 | MCF; Valueper day. | | | |
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| OPERATOR I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature Brian Fancher Printed Name & Title Brian Fancher, Regulatory Manager E-mail Address bfancher@matadorresources.com Flare intermittently due to gas plant pipeline (HLP) and equipment issues OIL CONSERVATION DIVISION Approved Until Nov. 23-Feb. 21, 2021 (90 days) Kurt Simmons Title NMOCD, Santa Fe 11/25/2020 | D. | | | | | |
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| Printed Name & Title Brian Fancher, Regulatory Manager E-mail Address bfancher@matadorresources.com Date NMOCD, Santa Fe Title 11/25/2020 | Signature Brian Fancher | | Kurt Simmons | | | |
| E-mail Address bfancher@matadorresources.com Date 11/25/2020 | | | NMOCD, Santa Fe | | | |
| Date 11/23/20 Telephone No. | hfanchar@matadarracourcas com | | Date 11/25/2020 | | | |
| | Date 11 23 | Telephone No. | | | | |

Gas-Oil ratio test may be required to verify estimated gas volume.