

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MATADOR PRODUCTION COMPANY ORDER NO. PLC-1185**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools and leases described in Exhibit A (“Application”).
2. Applicant included a complete list of the wells currently dedicated to each pool and lease.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools and leases in accordance with 19.15.12.10(C)(4)(g) NMAC.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.
7. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
8. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.

10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2) NMAC, 19.15.12.10(C)(4)(c) NMAC, and 19.15.12.10(C)(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC and 19.15.23.9(A)(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) NMAC or 19.15.12.10(C)(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) NMAC and 19.15.12.10(C)(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10(C)(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools and leases as described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from the wells included in Exhibit A provided that they produce from a pool and lease described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from the pools and leases as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease, as applicable, from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order PLC-663.
3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more

than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.

4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
5. If Applicant recovers oil or gas production from produced water prior to Applicant injecting it or transferring custody of it, then that production shall be allocated to each well in the proportion that it contributed to the total produced water.
6. If Applicant recovers gas production using a vapor recovery unit (VRU), then that gas production shall be allocated to each well in the proportion that it contributed to the total oil production.
7. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
8. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
9. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
10. Applicant shall install and utilize vessels that are appropriately designed to ensure sufficient separation of the fluids and to accurately measure oil and gas production.
11. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
12. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10(C)(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.

13. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
14. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
15. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
16. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ALBERT C. S. CHANG
DIRECTOR**

DATE: 09/18/2026

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PLC-1185**

Operator: **Matador Production Company (228937)**

Central Tank Battery: **Red Bud Central Tank Battery**

Central Tank Battery Location: **UL B, Section 5, Township 26 South, Range 36 East**

Gas Title Transfer Meter Location: **UL B, Section 5, Township 26 South, Range 36 East**

SUB Central Tank Battery: **RB Holly West Satellite**

Central Tank Battery Location: **UL C, Section 5, Township 26 South, Range 36 East**

SUB Central Tank Battery: **RB Holly East Satellite**

Central Tank Battery Location: **UL B, Section 5, Township 26 South, Range 36 East**

Pools

Pool Name	Pool Code
JAL;WOLFCAMP, WEST	33813
WC-025 G-08 S263620C;LWR BONE SPRIN	98150
WC-025 G-09 S263619C;WOLFCAMP	98234

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp SLO 204320 PUN 1394216	W2W2	28-25S-36E
	E2E2	29-25S-36E
	E2E2	32-25S-36E
	W2W2	33-25S-36E
CA Bone Spring SLO 204321 PUN 1394221	W2E2	29-25S-36E
	W2E2	32-25S-36E
CA Bone Spring SLO 204322 PUN 1394235	E2E2	29-25S-36E
	E2E2	32-25S-36E
CA Wolfcamp SLO 204323 PUN 1394249	E2W2	29-25S-36E
	E2W2	32-25S-36E
CA Bone Spring SLO 204324 PUN 1394252	W2W2	29-25S-36E
	W2W2	32-25S-36E
CA Wolfcamp SLO 204729 PUN 1400418	W2W2	29-25S-36E
	E2E2	30-25S-36E
	E2E2	31-25S-36E
	W2W2	32-25S-36E
CA Wolfcamp SLO 203786 PUN 1372553	W2E2	29-25S-36E
	W2E2	32-25S-36E
CA Wolfcamp NMNM 105517370 (141284)	E2W2, W2E2	05-26S-36E
	E2W2, W2E2	08-26S-36E
CA Bone Spring NMNM 105517383 (141285)	W2W2	05-26S-36E
	W2W2	08-26S-36E
CA Wolfcamp NMNM 105517369 (141283)	W2W2	05-26S-36E
	E2E2	06-26S-36E
	E2E2	07-26S-36E

	W2W2	08-26S-36E
CA Bone Spring NMNM 105722439 (144399)	W2E2	05-26S-36E
	W2E2	08-26S-36E
CA Bone Spring NMNM 105722438 (144398)	E2E2	05-26S-36E
	E2E2	08-26S-36E
CA Wolfcamp NMNM 105722437 (144397)	E2E2	05-26S-36E
	E2E2	08-26S-36E

Wells				
Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-44470	RED BUD 25 36 32 STATE COM #105H	W2E2	29-25S-36E	33813
		W2E2	32-25S-36E	
30-025-44471	RED BUD 25 36 32 STATE COM #115H	W2E2	29-25S-36E	33813
		W2E2	32-25S-36E	
30-025-46665	HOLLY 26 36 05 FEDERAL COM #104H	E2W2, W2E2	05-26S-36E	98234
		E2W2, W2E2	08-26S-36E	
30-025-46495	HOLLY 26 36 05 FEDERAL COM #113H	E2W2, W2E2	05-26S-36E	98234
		E2W2, W2E2	08-26S-36E	
30-025-46806	HOLLY 26 36 05 FEDERAL COM #102H	W2W2	05-26S-36E	98234
		W2W2	08-26S-36E	
30-025-46494	HOLLY 26 36 05 FEDERAL COM #111H	W2W2	05-26S-36E	98234
		E2E2	06-26S-36E	
		E2E2	07-26S-36E	
		W2W2	08-26S-36E	
30-025-46496	HOLLY 26 36 05 FEDERAL COM #121H	W2W2	05-26S-36E	98234
		E2E2	06-26S-36E	
		E2E2	07-26S-36E	
		W2W2	08-26S-36E	
30-025-46656	HOLLY 26 36 05 FEDERAL COM #091H	W2W2	05-26S-36E	98150
		W2W2	08-26S-36E	
30-025-49278	HOLLY 26 36 05 FEDERAL COM #106H	E2W2, W2E2	05-26S-36E	98234
		E2W2, W2E2	08-26S-36E	
30-025-48785	HOLLY 26 36 05 FEDERAL COM #116H	E2W2, W2E2	05-26S-36E	98234
		E2W2, W2E2	08-26S-36E	
30-025-50174	RED BUD 25 36 32 STATE COM #087H	E2E2	29-25S-36E	98150
		E2E2	32-25S-36E	
30-025-49592	RED BUD 25 36 32 STATE COM #098H	E2E2	29-25S-36E	98150
		E2E2	32-25S-36E	
30-025-49591	RED BUD 25 36 32 STATE COM #096H	W2E2	29-25S-36E	98150
		W2E2	32-25S-36E	
30-025-47940	RED BUD 25 36 32 FEDERAL COM #103H	E2W2	29-25S-36E	33813
		E2W2	32-25S-36E	
30-025-48789	RED BUD 25 36 32 FEDERAL COM #113H	E2W2	29-25S-36E	33813
		E2W2	32-25S-36E	
30-025-49253	RED BUD 25 36 32 FEDERAL COM #091H	W2W2	29-25S-36E	98150
		W2W2	32-25S-36E	

30-025-48786	RED BUD 25 36 32 FEDERAL COM #102H	W2W2	29-25S-36E	33813
		E2E2	30-25S-36E	
		E2E2	31-25S-36E	
		W2W2	32-25S-36E	
30-025-48788	RED BUD 25 36 32 FEDERAL COM #112H	W2W2	29-25S-36E	33813
		E2E2	30-25S-36E	
		E2E2	31-25S-36E	
		W2W2	32-25S-36E	
30-025-49593	RED BUD 25 36 32 STATE COM #107H	W2W2	28-25S-36E	33813
		E2E2	29-25S-36E	
		E2E2	32-25S-36E	
		W2W2	33-25S-36E	
30-025-49726	RED BUD 25 36 32 STATE COM #118H	W2W2	28-25S-36E	33813
		E2E2	29-25S-36E	
		E2E2	32-25S-36E	
		W2W2	33-25S-36E	
30-025-49272	HOLLY 26 36 05 FEDERAL COM #117H	E2E2	05-26S-36E	98234
		E2E2	08-26S-36E	
30-025-49402	HOLLY 26 36 05 FEDERAL COM #127H	E2E2	05-26S-36E	98234
		E2E2	08-26S-36E	
30-025-49453	HOLLY 26 36 05 FEDERAL COM #097H	E2E2	05-26S-36E	98150
		E2E2	08-26S-36E	
30-025-49401	HOLLY 26 36 05 FEDERAL COM #095H	W2E2	05-26S-36E	98150
		W2E2	08-26S-36E	

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 626428

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 626428
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	None	9/25/2026