State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



CENTRAL TANK BATTERY

Administrative Order CTB-845 Application Reference No. pMAM1801857394

February 14, 2018

Matador Production Company (Operator OGRID 228937) Attention: Jordan Kessler, Attorney for Matador

The operator is hereby authorized to surface commingle oil and gas production from WC-015 G-04 S202920D; Bone Spring Pool (Pool code: 98015) from the following diversely owned federal leases located in Township 20 South, Range 29 East, Eddy County, New Mexico:

Lease:

Federal Lease NM 0003677; Hearing Order R-14433

Description:

Lot 4, S/2 SE/4, and SE/4 SW/4 (S/2 S/2 equivalent) of Section 19, Township 20

South, Range 29 East, NMPM

Well:

Stebbins 19 Federal Well No. 124H

API 30-015-44172

Lease:

Federal Lease NM 0003677; Hearing Order R-14264

Description:

N/2 S/2 of Section 20, Township 20 South, Range 9 East, NMPM Stebbins 20 Federal Well No. 123H API 30-015-43201

Stebbins 20 Federal Well No. 133H

API 30-015-44183

Lease:

Wells:

Federal Lease NM 0003677; Hearing Order R-14263

Description:

S/2 S/2 of Section 20, Township 20 South, Range 9 East, NMPM Stebbins 20 Federal Well No. 124H

Wells:

API 30-015-44185

Stebbins 20 Federal Well No. 134H

API 30-015-44175

The combined project area for these wells includes the S/2 S/2 of Section 19, and the S/2 of Section 20, both in Township 20 South, Range 29, East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Stebbins 19 and 20 Central Tank Battery (CTB), located in the Unit M of Section 20, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of these wells shall be measured with allocation meters. The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division – Artesia District

Bureau of Land Management - Carlsbad Field Office