Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



December 14, 2020

Matador Production Company c/o James Bruce, Agent jamesbruc@aol.com P.O. Box 1056 Santa Fe, New Mexico 87504

RE: <u>Request for Time Extension to Commence drilling</u>

Case No. 20735, R-20965 approved date December 5, 2019Deadline to commence drilling December 31, 2020Applicant/Operator: Matador Production CompanyProposed Well:Ray State Com Well No. 124H, API No. 30-015-46447

Dear Sir or Madam:

The following pertains to your request received by the Division on December 13th, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to "current oil prices Matador has reduced its rig count". There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to, **December 31, 2021**.

The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

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ADRIENNE SANDOVAL Director AS/jag

CC: Oil Conservation Division

JAMES BRUCE ATTORNEY AT LAW

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jamesbruc@aol.com

December 13, 2020

Engineering Bureau Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Request to extend well commencement deadline in pooling order

Ladies and gentlemen:

The following pooling order was issued to Matador Production Company ("Matador") on December 5, 2019:

Order No. R-20965; Case No. 20735

<u>Well</u>: Ray State Com. Well No. 124H (API No. 30-015-46447)
<u>Well unit</u>: E/2E/2 of Section 25 and E/2E/2 of Section 36, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico
<u>Pool</u>: Culebra Bluff; Bone Spring, South (Pool Code 15011)

Ordering Paragraph (4) granted Matador until December 31, 2020 to commence the well. Pursuant to Ordering Paragraph (5), Matador requests a one year extension of the well commencement deadline, through December 31, 2021. The reason for the extension request is that, due to current oil prices Matador has reduced its rig count, requiring a delay in well commencement. Matador definitely plans on drilling the well, but needs additional time to commence.

Pursuant to Ordering Paragraph (7), Matador informs the Division that no pooled working interest owner has elected to participate in the drilling of the well.

Please let me know if any additional information is needed by the Division.

Very truly yours,

tuq James Bruce

Attorney for Matador Production Company