

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MATADOR PRODUCTION
COMPANY TO AMEND ORDER NOS. R-21269
AND R-21269-A, EDDY COUNTY, NEW MEXICO.**

Case No. _____

APPLICATION

Matador Production Company applies for an order amending Order Nos. R-21269 and R-21269-A, and in support thereof states:

1. Order No. R-21269 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant proposes to drill the Michael K & B 2122 Fed. Com. Well No. 124H to a depth sufficient to test the Bone Spring formation. The well has a first take point in the SW/4SW/4 of Section 21 and a last take point in the SE/4SE/4 of Section 22. Order No. R-21269 designates Applicant as operator of the well.

3. This matter was heard on April 16, 2020, and Order No. R-21269 was entered on April 28, 2020. Paragraph 19 of the order requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of the order provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown." Applicant obtained a one year commencement extension by Order No. R-21269-A.

4. Applicant requests an extension of the drilling deadline due to market conditions which have altered drilling schedules, and the coronavirus situation. In addition, the well unit is in a disputed federal Development Area being formed for drilling in this area, and that is a large

part of the reason applicant hasn't been able to drill yet. Applicant still intends to drill the subject well. Thus good cause exists for Applicant's request for an extension.

5. Applicant requests an extension of the well commencement deadline to April 28, 2023.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order amending Order Nos. R-21269 and R-21269-A to extend the well commencement deadline to April 28, 2023.

Respectfully submitted,



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