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

APPLICATION OF MATADOR PRODUCTION COMPANY TOAMEND ORDER NO. R-21546-A, LEA COUNTY, NEW MEXICO

CASE NO. _____ ORDER NO. R-21546-A

APPLICATION

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-21546-A ("Order") to allow for an extension of time for drilling the proposed initial wells under the Order. In support of its application, Matador states:

1. Division Order No. R-21546, entered on November 13, 2020, in Case No. 21505, created a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 4 and 9, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Matador as operator of the Unit.

2. Order No. R-21546 further pooled the uncommitted interests in the Bone Spring formation in the Unit and dedicated the Unit to the proposed initial **Silver Fed Com #501H** (API No. 30-025-48804), **Silver Fed Com #502H** (API No. 30-025-48805) and **Silver Fed Com #601H** (API No. 30-025-48805) wells.

3. Division Order No. R-21546-A, entered on March 9, 2022, in Case Nos. 22363 and 22513, extended Order R-21546 to November 13, 2022.

4. Applicant requests that Order No. R-21546-A be re-opened and amended to allow Applicant additional time to commence drilling the wells under the Order.

5. There is good cause for Applicant's request for an extension of time to drill. Matador has been actively developing the adjacent acreage, which has impacted rig and crew availability and created surface spacing limitations, which do not allow for simultaneous development of both units. Additionally, Matador has made certain accommodations to account for the lesser prairie chicken restrictions in the area, which has also delayed its intended plans to develop the acreage subject to the Order.

6. Under the Order, Applicant would be required to commence drilling the well by November 13, 2022, and therefore, asks for the deadline to commence drilling the well be extended for a year, to November 13, 2023.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 1, 2022, and, after notice and hearing as required by law, the Division enter an order extending the time for Matador to commence drilling the proposed initial wells under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By:_

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ATTORNEYS FOR MATADOR PRODUCTION COMPANY

Application of Matador Production Company to Amend Order No. R-21546-A, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-21546-A. The Unit is comprised of the W/2 W/2 of Sections 4 and 9, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. Order No. R-21546 pooled the uncommitted interests in the Bone Spring formation and dedicated the Unit to the proposed:

- Silver Fed Com #501H (API No. 30-025-48804) and Silver Fed Com #601H (API No. 30-025-48805) wells to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 9, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 4; and
- Silver Fed Com #502H (API No. 30-025-48924) well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 9, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 4.

Said area is located 31 miles southwest of Hobbs, New Mexico.