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

# APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21043, LEA COUNTY, NEW MEXICO

### CASE NO. 22549 ORDER NO. R-21043-A

#### **ORDER OF THE DIVISION**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard these matters through a Hearing Examiner on March 3, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### **FINDINGS**

1. Due public notice has been given as required by law, and OCD has jurisdiction of these cases and the subject matter.

2. Matador Production Company ("Matador") applied for an order amending Order R-21043 to extend the deadline to commence drilling. ("Application").

3. Order R-21043 was issued by OCD on January 27, 2020 and pooled all uncommitted interests in the W/2E/2 of Section 21 and NW/4NE/4 of Section 28, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

4. Ordering paragraph (4) of Order R-21043 required Matador to commence drilling the well within one year of the date of the Order:

(4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.

5. Ordering paragraph (5) of Order R-21043 provided that if Matador failed to commence drilling the well within one year, the pooling provision of the Order would lapse unless Matador obtained a time extension.

(5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence. 6. On December 14, 2020, OCD granted an extension of the deadline to commence drilling to January 21, 2022.

7. Matador submitted the Application to OCD on January 31, 2022.

8. Since Matador had neither commenced drilling the well nor submitted an application for an extension by the deadline of January 21, 2022, the authorization for compulsory pooling in Order R-21043 expired.

**IT IS HEREBY ORDERED THAT** the request for an extension in the Application is denied. The authorization for compulsory pooling in Order R-21043 has expired.

# STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE ŠANDOVAL DIRECTOR AES/bb

Date: 4/04/2022