State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

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ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-819-A

September 21, 2018

MATADOR PRODUCTION COMPANY

Attention: Ms. Jordan Kessler

Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production and off-lease measure from Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220) from the following diversely owned fee leases and wells in Eddy County, New Mexico:

Lease: Joe Coleman 13 23S 27E RB Well No. 206H Lease; Hearing Order R-14294

Description: N/2 of Section 13, Township 23 South, Range 27 East, NMPM

Wells: Joe Coleman 13 23S 27E RB Well No. 206H API 30-015-44059

Joe Coleman 13 23S 27E RB Well No. 221H API 30-015-44805 Joe Coleman 13 23S 27E RB Well No. 201H API 30-015-44608

Lease: Joe Coleman 13 23S 27E RB Well No. 208H Lease; Hearing Order R-14295

Description: S/2 of Section 13, Township 23 South, Range 27 East, NMPM

Well: Joe Coleman 13 23S 27E RB Well No. 208H API 30-015-44060

Joe Coleman 13 23S 27E RB Well No. 203H API 30-015-44625

Lease: Kathy Coleman 14 23S 27E RB Well No. 206H Lease; Hearing Order R-14292

Description: N/2 of Section 14, Township 23 South, Range 27 East, NMPM

Well: Kathy Coleman 14 23S 27E RB Well No. 206H API 30-015-44057

Kathy Coleman 14 23S 27E RB Well No. 201H API 30-015-44611

Lease: Kathy Coleman 14 23S 27E RB Well No. 208H Lease; Hearing Order R-14293

Description: S/2 of Section 14, Township 23 South, Range 27 East, NMPM

Well: Kathy Coleman 14 23S 27E RB Well No. 208H API 30-015-44058

Kathy Coleman 14 23S 27E RB Well No. 203H API 30-015-44624

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Coleman North and South Central Tank Battery (CTB), located in the Unit H of Section 14, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases 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 administrative order supersedes Administrative Order CTB-819, issued on May 22, 2017 and Administrative Order CTB-820, issued on May 22, 2017 by incorporating both leases subject to these orders into a single administrative order to be measured and sold at the CTB.

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.

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Director

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cc: Oil Conservation Division – Artesia