

State of New Mexico
Energy, Minerals and Natural Resources Department

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ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-894
Amends Administrative Application-851

April 5, 2019

MATADOR PRODUCTION COMPANY

Attention: Mr. Adam Rankin

Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production and off-lease measure from the Airstrip; Bone Spring Pool (Pool code: 960) from the following diversely state leases located in Section 31, Township 18 South, Range 35 East, Lea County, New Mexico:

Lease: Airstrip 31 18 35 RN State Com Well No. 131H Lease
Description: Lot 1, Lot 2, Lot 3, and Lot 4 (W/2 W/2 equivalent) of Section 31
Well: Airstrip 31 18 35 RN State Com Well No. 131H API 30-025-44509

Lease: Airstrip 31 18 35 RN State Com Well No. 132H Lease: Division Order R-14378
Description: E/2 W/2 of Section 31
Well: Airstrip 31 18 35 RN State Com Well 132H API 30-025-43816

Lease: Airstrip 31 18 35 RN State Com Well No. 133H Lease: Division Order R-14721
Description: W/2 E/2 of Section 31
Well: Airstrip 31 18 35 RN State Com Well No. 133H API 30-025-44323

Lease: Airstrip 31 18 35 RN State Com Well No. 114H Lease: Division Order R-Pending
Description: E/2 E/2 of Section 31
Wells: Airstrip 31 18 35 RN State Com Well No. 114H API 30-025-45436
Airstrip 31 18 35 RN State Com Well No. 124H API 30-025-45437
Airstrip 31 18 35 RN State Com Well No. 114H API 30-025-45438

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Airstrip State Central Tank Battery (CTB), located in the Lot 4/ Unit M, of Section 31, Township 18 South, Range 35 East, NMPM, Lea 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.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

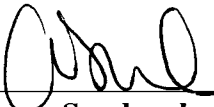
Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

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.

This administrative order supersedes Administrative Order PLC-851, issued on April 12, 2008. This amended application adds the wells and lease in the E/2 E/2 of Section 31, and permits notification of newly added parties for future additions.

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals